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ABSTRACT

The growth of student financial aid during 1963-1983 is traced in relation to inflation, college costs, family income, enrollment, and other factors. Aid to students in public, private, and proprietary schools, including doctoral students, is reported. Attention is directed to federally-supported grants, loans, and work; state grants; and institutionally-awarded assistance. Although most references concern the total amount of assistance awarded to students in a given year, data are included on student aid appropriations for the federal aid programs. To take into account inflation, data are presented on current dollars and constant dollars. The information is presented in the following five sections: total aid awarded and federal appropriations; analyses of trends in total aid; aid per student and numbers of recipients; college costs, income, and student aid; and distribution of Pell and campus-based aid among institutions. Each section consists of a brief discussion of important facts and trends, followed by tables or figures. Two statistical appendices and a glossary of terms and acronyms are included, along with comprehensive data; extensive notes on the categories of aid, sources of data, and estimation procedures; and information on special problems encountered in selecting appropriate measures of income. (SW)

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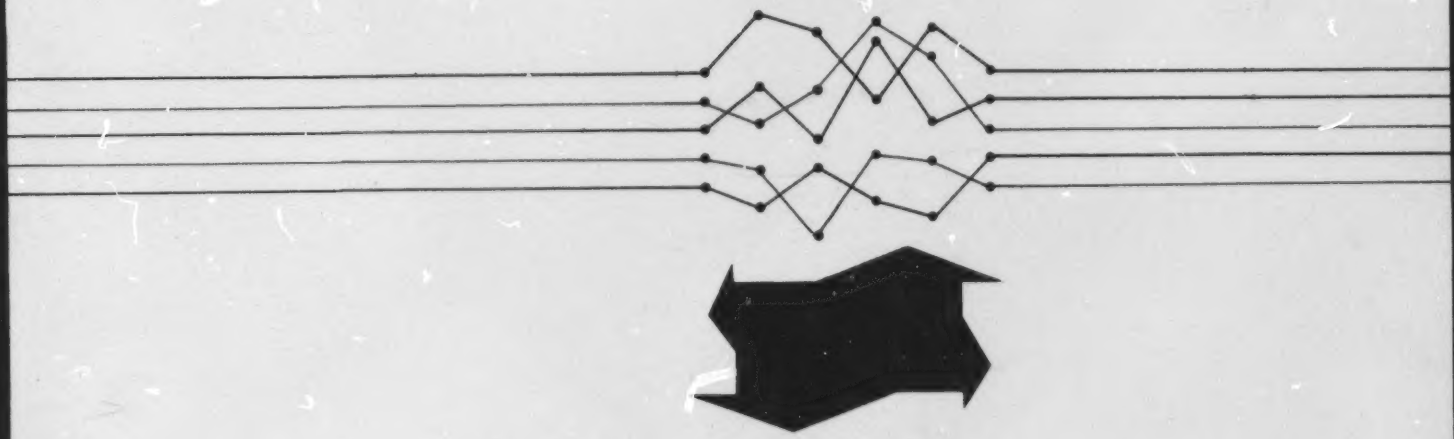

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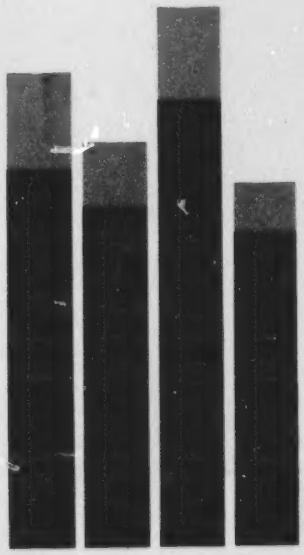

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Trends in Student Aid: 1963 to 1983

Donald A. Gillespie
and Nancy Carlson

The Washington Office
of the College Board
December 1983

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Foreword

The fall of 1983 marked the twenty-fifth anniversary of the National Defense Education Act, a turning point in the history of federal involvement in higher education. The fall of 1983 also marked the beginnings of congressional activity leading to reauthorization of the current higher education statutes, which principally provide federal support in the form of aid to students.

Programs helping students meet the costs of college attendance have grown dramatically over the past two decades. Such aid from all sources now amounts to more than $16 billion annually, an eight-fold increase even after accounting for inflation since the early 1960s. Almost four-fifths of these expenditures are generated directly or indirectly by federal programs, compared to less than two-fifths of the relatively small amount invested in student aid twenty years ago.

Student aid has become a major dimension of financing higher education. It is also a significant item in the federal budget. As Congress prepares to reauthorize the programs, a principal focus will be the goals and accomplishments of federal student aid and the relationship among federal, state, and institutional efforts to equalize opportunities for higher education.

This report assembles basic facts about the sources, forms, and dimensions of student aid during the past twenty years. We hope it will be a useful reference for public policymakers and college administrators alike. It covers the growth of student aid since the maturing of the first post-Sputnik program and shows the impact of legislative initiatives in the late 1960s and early 70s, the Middle-Income Assistance Act of 1978, and the budgetary retrenchment of the early 1980s. Careful adjustments are made in the data to show the effects of inflation, and additional perspectives are presented through data on changes in college costs, enrollment, family income and overall investment in higher education during the twenty-year period.

The co-authors of the report are Donald A. Gillespie, a policy analyst on the staff of the Washington Office of the College Board, and Nancy Carlson, former research assistant on the staff. In addition, many other individuals contributed to the effort. Janet S. Hansen guided the project and helped ensure the clear presentation of results. Arthur M. Hauptman participated in the initial design of the publication. Michael S. McPherson provided insights and suggestions for elaboration of the data that made the report richer and more comprehensive than it would have been otherwise. Other reviewers made valuable suggestions: Charles Byce, Donald Hills, Benjamin S. Sandler, William Van Dusen, Alan P. Wagner, James W. White and Natala K. Wickstrom. Many individuals helped with the collection of data by providing information, suggestions, and access to unpublished data. They include Robert Boerner, Norman Brandt, Pat Bridges, William Buffington, Steve Carter, Angie Choporis, Alice Ford, Penny Foster, Michael Heningburg, Roger Hicks, Juan Himenez, Thomas Kennedy, Maureen McLaughlin, Paul M. Siegel, Pat Smith, Thomas Snyder, Donald Standing Elk, and Adele Wood. It is impossible to name all of those who helped provide data. We are grateful to those who are not named. Lynn Quincy helped analyze the data. William Ferris edited the manuscript. Pauline Washington-Diggs, Diane Erving, and Irene Wu Oden typed and proofread it under the supervision of Winona Orange.

A policy research grant from the Ford Foundation helped support this study.

Lawrence E. Gladieux
Executive Director

Highlights

- Financial aid to students in postsecondary education grew rapidly during the 1960s and 70s. The total amount awarded from federal, state, and institutional sources rose from about a half billion dollars in 1963-64 to $4.5 billion in 1970-71, $10.5 billion in 1975-76, and more than $18 billion in 1981-82.
- Over the two decades the federal government became by far the largest contributor to student aid. Almost 80 percent of total assistance now comes through federal programs; less than 40 percent of aid in the early 60s was federal in origin.
- The expansion of student assistance ended in the early 1980s. Total aid in academic year 1983-84 is estimated to be $16.1 billion, down $2 billion from the 1981-82 peak. Most of the drop resulted from the phasing out of Social Security student benefits beginning in 1982, restrictions on eligibility for Guaranteed Student Loans that took effect in the fall of 1981, and a continued decline in the use of veterans benefits that began in the mid-70s when Vietnam-era veterans started to reach the end of their eligibility for educational assistance under the G.I. Bill.
- A realistic portrayal of trends in student aid must allow for inflation, which has greatly eroded the purchasing power of the dollar over the past twenty years. Adjusted for inflation, the growth of student aid has still been dramatic. The constant-dollar or real value of total student aid increased ten times between 1963-64 and 1975-76, after which it declined slightly for several years, resumed an upward trend following passage of the Middle Income Student Assistance Act of 1978, then fell off at the beginning of the 1980s. Between 1980-81 and 1983-84, the real value of aid dropped an estimated 21 percent.
- Fluctuations in veterans and Social Security benefits have accounted for much of the change in total aid over the years; these programs have grown faster than other sources in the 1960s and early 70s and have declined more precipitously in recent years.
- Pell Grants and Guaranteed Student Loans are now the largest student aid programs. Appropriations for Guaranteed Loans rose rapidly between fiscal years 1978 and 1982 because of expanded eligibility and high interest rates, which drove up the cost of interest subsidies. Pell Grants, however, levelled off during this period. In fiscal 1984 this program will receive a substantial increase, bringing it to $2.8 billion, but will remain well below levels of the late 1970s after adjusting for inflation.
- There have been major shifts over time in the overall proportions of aid awarded in the form of grants and loans. From 1970-71 to 1975-76, grant aid increased from 66 percent to 80 percent of total aid awarded, while loans decreased from 29 to 17 percent. This pattern reversed itself in the mid-1970s. In 1983-84, the proportions of total aid awarded as grants and loans are about equal at 48 percent each; work-study support provides the other 4 percent.
- Student aid has grown dramatically in comparison to overall growth of higher education and has become an increasingly important dimension of college finance. Student aid expenditures have increased over five times as fast as educational and general expenditures by institutions since 1963-64.
- Increases in student aid have outpaced enrollments over the twenty-year period. The average amount of aid available per full-time-equivalent (FTE) student, adjusted for inflation, grew by 378 percent between 1963-64 and 1980-81, though most of this growth occurred before 1973-74. In the 1980s, again adjusting for inflation, aid per FTE student declined, dropping an estimated 23 percent by 1983-84.
- Aid figures calculated on a per-student basis further demonstrate the shift from grants to loans. Although total aid adjusted for inflation kept climbing until 1980-81, grant aid per FTE student peaked in 1975-76 and has declined steadily since then. Average grant aid per FTE student is an estimated 53 percent lower in 1983-84 than in 1975-76. Over the same period the average loan per FTE student grew by 123 percent.
- Program data on numbers of actual recipients and average awards to recipients cast another light on the growth of student aid. Major federal and state need-based aid programs show significant increases in recipients over the years. With the exception of Guaranteed Student Loans, however, the inflation-adjusted value of average awards declined markedly over time. Real growth in total aid

from these programs in the 1960s and 70s, therefore, resulted from the increased number of programs and the widening of eligibility, rather than from real increases in average awards to recipients in each program.

- Analysis of trends in college costs, family income, and aid per FTE suggests that, *on average*, families now have more resources from income and student aid relative to the burden of college costs than they had in 1963-64. Over the entire period 1963-64 to 1982-83, real (inflation-adjusted) increases in income exceeded the real growth of college costs, and real increases in total aid per FTE student and grant aid per FTE student far outpaced the increase in college costs. Most of the growth in income and aid per FTE student, however, occurred before 1973-74.
- The early 1980s have seen a major change in the relationship of costs, income, and aid. Adjusted for inflation, costs have increased, but income and aid per FTE student have not. Thus, in contrast to what can be said generally about the last two decades, college has become relatively more difficult for families to afford in the 1980s.

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Trends in Student Aid: 1963 to 1983

Introduction

This publication is a reference book of statistics on student aid that policy makers, college officials, researchers, and journalists may consult for historical and current information on programs providing financial assistance to students in postsecondary education. The book traces the growth of student aid over twenty years and shows this growth in relation to inflation, college costs, family income, enrollment, and other factors. Most of the statistics in the report have not been available before in a single publication; some have never been published.

We hope this statistical summary will enhance discussion of policies for financing higher education by: (1) answering some basic and frequently asked questions about trends in student aid and (2) providing policy analysts and other researchers with data and sources of data that will support further research on questions that remain to be addressed.

Scope of the Report

The report covers financial aid awarded to postsecondary students up to and including doctoral students in public, private, and proprietary schools for selected years beginning with 1963. The data are mostly from comprehensive surveys and government records. Although some data are estimated, we generally succeeded in confining our report to reliable, national statistics that are available on a comparable basis over time.

A few words explaining our treatment of types of students, sources and types of aid, the reporting of data by academic years, and the differences between what we report as "aid awarded" and "appropriations" should clarify the presentation for the reader.

Types of Students

We would have preferred to present aid to graduate and undergraduate students separately. Available data sources, however, are usually insufficient for this purpose. Several large programs for which both graduate and undergraduate students are eligible do not report the proportion of aid going to each. We have tried, therefore, to give a consistent picture over time of aid available to students in general, recognizing (as explained below) that some types of aid could not be captured at all and that the impact of the aid we do describe may be very different for graduate and undergraduate students. Our report portrays the total national effort rather than the implications for particular groups of students.

Sources and Types of Aid

This report defines student aid to include federally supported grants, loans, and work; state grants; and institutionally awarded assistance.

The category "federally supported aid programs" includes programs that are funded primarily by the federal government, but the dollar amounts in the category also include matching funds required by some of those programs from colleges or other nonprofit organizations. Dollar totals that refer to aid awarded, rather than to funds appropriated (see explanation of this distinction below), also include loans that are financed through private or state sources but are guaranteed by the federal government.

We have divided federally supported programs into two groups, which we call "generally available aid" and "specially directed aid." Generally available aid programs tend to have financial need or income as their major eligibility criterion; at the federal level, these programs are administered through the Department of Education. Specially directed programs may or may not employ a need criterion, but they are focused on some restricted set of students, such as military veterans, the children of certain Social Security recipients, American Indians, or students preparing for health professions. The total federal effort in student aid can be appropriately measured only by considering both groups of programs. The federal commitment to equalize educational opportunities for needy students (rather than to reward military service, for example, or to alleviate health manpower shortages) is more accurately reflected by considering just the generally available aid programs.

Institutionally awarded aid includes grants and some trainee stipends for which the institution selects the recipient. Institutionally awarded aid is paid for mainly by colleges and universities themselves or by private donors, although some government funds are also included in this category. One important federally funded grant program not included in the category of institutionally awarded aid is the Supplemental Educational Opportunity Grant program. Instead, we include this program in the federally supported aid category.

In general, the compensation a student receives for services, such as teaching and research assistantships and other employment, is not included in this report. Comprehensive data on aid received in return for services is impossible to obtain, and in any case it is debatable whether compensation for work is student aid. We have, however, made two exceptions to this general rule of excluding work programs from the statistics. First, we present data on the College Work Study program because it is available only to students with demonstrated financial need and is widely regarded by policy makers and college officials as a student aid program. Second, some assistance provided through training stipends is included in aid that we classify as institutionally awarded because we could not identify and exclude such assistance from the source data.

We have omitted from the calculation of aid awarded a number of other forms of student aid, either because adequate data to measure them do not exist or because the aid is not available to students at the time they incur their costs of college attendance. These forms of aid are tuition assistance from employers (including paid leave for study, such as that provided by the Armed Forces), loans or gifts from friends and relatives, grants from private organizations that pick the recipients (e.g., Rotary scholarships), loans not guaranteed by the federal government, cancellations of indebtedness for teaching or other forms of service, and income tax policies that favor students and their families (e.g., the personal exemption for a student in college). In addition, we omit the value of explicit or implicit interest subsidies in student loan programs.

Reporting Aid by Academic Years

Wherever possible, we have presented aid awarded to students by academic year. We define an academic year as July 1 of one calendar year to June 30 of the following year. In some cases, published sources of data on aid awarded do not report on an academic year basis. In these cases, we have obtained unpublished data by academic year or have estimated academic year amounts. Where state and institutionally awarded aid are concerned, there is unavoidable ambiguity about when aid is intended to be used. Unfortunately, the surveys from which these data are taken are not specific about the question of time, and survey respondents may have reported data for periods other than the academic year as we define it.

Differences Between Aid Awarded and Appropriations

Most of the references to student aid in this report are to *aid awarded;* that is, the total amount of assistance awarded to students in a given year. We also, however, present data on student *aid appropriations* for the generally available federal aid programs, because they are an important measure of trends in federal support for this kind of activity. There are four major differences between aid awarded and appropriations.

One major difference affects dollar totals in the Guaranteed Student Loan program. Loans made to students are financed by state and private lenders. Federal expenditures are used for interest subsidies and repayments to lenders on defaulted loans. We include the total value of loans made to students when we refer to aid awarded; this total is significantly higher than federal appropriations for Guaranteed Student Loans in comparable years.

A second major difference is that appropriations are made on a fiscal year basis, but we report aid awarded by academic years. Before 1977, the federal fiscal year coincided with the academic year. Since 1977, however, the federal fiscal year has run from October through September, while we define an academic year as July through June.

Another mismatch between time periods occurs in the so-called "forward-funded" programs. In these programs, amounts that are appropriated for a given fiscal year are intended for use by students during the following academic year. For example, funds appropriated for fiscal year 1983 (October 1982 to September 1983) are made available to students for use in academic year 1983–84 (July 1983 to June 1984). All of the generally available federal programs except Guaranteed Student Loans are now forward-funded.

Finally, appropriations are sometimes carried over from one fiscal year to the next if there are funds remaining at the end of the original award period. Such leftover funds may be added to funds appropriated for the second fiscal year, increasing the total available in that second year and further complicating the problem of directly comparing aid awarded and appropriations in any given period.

Selection of Years—Tracing The Growth of Student Aid

We report data for selected years from 1963 to 1983. Our choice of years reflects the following key developments in the growth of student aid:

- Before the 1960s, aid generally took the form of scholarships awarded by colleges and universities. Some institutions also had loan or work programs, usually small, and a handful of states had grant programs, again usually small. Federal aid was limited to veterans assistance under the G.I. Bill and to a few highly specialized programs, such as grants to American Indians and fellowships for graduate students in science.
- In 1958, in reaction to the launching of the Soviet space satellite Sputnik, Congress passed the National Defense Education Act (NDEA), establishing a loan program (today known as National Direct Student Loans, or NDSL) as the first generally available federal aid program for financially needy college students. The Act also created fellowships for graduate students intending to teach in college or undertaking area or foreign language studies.
- By 1963, the NDEA programs were in place. We begin our presentation of data at this point—after the breakthrough resulting from Sputnik but before the larger legislative thrust of the mid-60s.
- The emphasis on education and on equality of opportunity spurred by President Lyndon Johnson and his Great Society program resulted in the creation of several new federal student aid initiatives: College Work Study (CWS) in 1964, providing subsidized work opportunities for financially needy students; Educational Opportunity Grants (now called Supplemental Educational Opportunity Grants or SEOG) in 1965, providing grants for low-income students selected by the colleges they attended; and Guaranteed Student Loans

(GSL) in 1965, providing repayment guarantees and interest subsidies for loans to students from low- and middle-income families. Also in 1965, Congress added a new benefit to the Social Security program, allowing the children of deceased, disabled, or retired parents eligible for Social Security to continue receiving benefits as dependents while they attended college. In addition, this period saw the creation of a number of small grant and loan programs for students in health professions.

- In 1972, Congress established Basic Educational Opportunity Grants (renamed Pell Grants in 1980), the first major federal program of grants to be awarded directly to students by the federal government and available solely on the basis of financial need. These grants were first made to students in academic year 1973–74. Pell Grant awards are determined according to federally established formulas. By contrast, the so-called campus-based federal programs, SEOG, CWS, and NDSL, channel money to institutions, which then make awards to students they select within broad federal guidelines. Congress also in 1972 created the State Student Incentive Grant (SSIG) program, which provides federal matching funds for state grants.
- In 1978, the Middle Income Student Assistance Act (MISAA) greatly expanded the eligibility of middle-income students for Pell Grants and removed all income restrictions in the Guaranteed Student Loan program.
- In 1981, President Reagan proposed major cutbacks in federal student aid. Most of his recommendations were rejected, but Congress did reinstitute an income ceiling in GSL, and it established an additional loan program called Parent Loans for Undergraduate Students (PLUS). The PLUS program enables upper-income families to borrow, but at interest rates that are higher than those of the GSL program. Congress also agreed to phase out the program of Social Security dependent benefits for students aged 18 to 22. Moreover, for Pell Grants and the other programs, the years of expansion came to an end. Federal expenditures have levelled off and in some cases declined in the early 1980s.

Taking Account of Inflation—Current versus Constant Dollars

Between 1963–64 (the first year covered in this report) and today, inflation greatly eroded the purchasing power of the dollar. It now takes over $3.00 to buy what $1.00 could buy then.

It is therefore important to consider not just the total amount of aid available but whether the purchasing power of such aid has increased, decreased, or remained the same. For example, in 1963–64 $546 million in aid was awarded to students from federal, state, and institutional sources. In 1983–84, we estimate that $16,095 million will be awarded. Did the increase in aid over twenty years simply keep up with inflation (maintain purchasing power) or did it jump ahead? Similarly, inflation complicates comparisons of such variables as college costs and income unless some adjustment is made to show that inflation causes both to rise. In fact, if income rises faster than costs, consumers are better off even though costs appear to have grown rapidly.

This report takes two approaches to the problem of presenting statistics on student aid in a useful way over time. We first present data in so-called "current dollars"—that is, in dollars unadjusted for inflation. We then convert these amounts to dollars of constant or real purchasing power, called "constant dollars." Constant dollar amounts and changes in constant dollar amounts are referred to as real. Since we have converted the current dollar amounts to dollars with the purchasing power of a 1982 dollar, the results are called constant 1982 dollars. The adjustment for inflation allows us to show, for example, that the large increase in student aid over the twenty-year span cited above represents a real increase of about 800 percent, which is about a quarter of the percentage increase before adjusting for inflation.

To avoid confusion, we have tried to minimize references to constant dollars in the text, referring whenever possible just to the overall results of adjusting for inflation and leaving it to the reader who wants specific constant-dollar amounts to look them up in the tables. We also urge readers to note as they refer to tables and figures whether amounts are given in constant dollars or current dollars. Each of the tables and figures is carefully labeled to indicate which kind of dollars is cited.

Organization of the Report

The report is divided into five sections, covering the following topics:

(1) Total aid awarded and federal appropriations;
(2) Analyses of trends in total aid;
(3) Aid per student and numbers of recipients;
(4) College costs, income, and student aid;
(5) Distribution of Pell and campus-based aid among institutions.

Each section consists of a brief discussion of important facts and trends, followed by several illustrative tables or figures.

Two statistical appendices and a glossary of terms and acronyms follow the body of the report. Appendix A contains more comprehensive data, in some instances covering years omitted in the first part of the report. It also contains extensive notes on the categories of aid covered in the report, sources of data, and estimation procedures. Appendix B explains the special problems encountered in selecting appropriate measures of income to use for comparative purposes and explains the choices made.

I

Total Aid Awarded and Federal Appropriations

This section gives a broad view of the amount of resources society has provided to help students finance their education. It presents two perspectives: the total amount of money awarded to students and the amount the federal government appropriates for generally available aid programs. As explained in the introduction, the amounts awarded and appropriated may be different, especially for federally supported loan programs.

Aid Awarded and the Effects of Inflation

Table 1 shows the amount of aid in current dollars awarded through federal, state, and institutional programs since 1963–64. By today's standards, the amount of student aid awarded in 1963–64 was small—a total of $546 million. Of this, aid provided through federally supported programs was about $190 million—$67 million for veterans, $114 million for new loans through the National Direct Student Loan program, and $9 million for other programs. Institutions awarded about $300 million in scholarships, grants, and fellowships; and states awarded $56 million in grants.

With the addition of several new federal programs during the Great Society years of the 1960s, assistance from federally supported programs grew to $3.3 billion by 1970–71. State and institutionally awarded aid was also on the rise. In 1970–71, aid from all sources totalled $4.5 billion.

The 1970s saw significant increases in all the existing programs and the addition of a major new federal grant program, Pell Grants. By 1977–78 Pell Grants were fully phased in and were providing students with almost $1.6 billion annually. In that year, aid to students from all sources totalled $11.1 billion.

The passage of the Middle Income Student Assistance Act (MISAA) in 1978 led to large increases in Pell Grants and guaranteed loans. Other aid programs continued to grow, although not as dramatically. By 1980–81, aid from all sources reached $17.3 billion. It peaked in 1981–82 at $18.1 billion. (Data on 1981–82 can be found in Table A-1.)

The expansion of student aid programs ended in the early 1980s. In 1983–84 we estimate that total aid will amount to $16.1 billion. Most of the decline between 1981–82 and 1983–84 is attributable to the decision to phase out Social Security student benefits beginning in 1982 and to restrictions on eligibility for the Guaranteed Student Loan program that took effect in the fall of 1981. As aid from these and other programs stopped growing, veterans benefits continued a decline that began in the mid-70s when Vietnam-era veterans started to reach the end of their eligibility for benefits under the G.I. Bill. In fact, veterans benefits peaked in 1975–76 at over $4 billion annually and fell to just over $1 billion in 1983–84.

The pie chart in Figure 1 shows aid awarded by source in 1983–84. It graphically demonstrates the crucial position federal programs have come to occupy in the overall scheme of student aid. Federal programs generated almost 80 percent of all aid available to students in 1983–84, compared to less than 40 percent in 1963–64.

Table 2 is a constant-dollar version of Table 1, showing amounts of aid awarded over the twenty-year period after adjusting for inflation. It shows that the real value of student aid grew over ten times between 1963–64 and 1975–76 due in large part to a dramatic rise in veterans benefits as Vietnam veterans returned to civilian life. After 1975–76, the real value of aid awarded declined for several years, again primarily reflecting changes in the use of veterans benefits. The downturn temporarily reversed itself in 1979–80, as the effects of MISAA were felt, but resumed in 1981–82 in response to changes in Social Security student benefits, the continuing decline in veterans benefits, the leveling off of Pell Grants, and the cutbacks in other federal programs. The real value of total aid awarded declined by about 21 percent between 1980–81 and 1983–84.

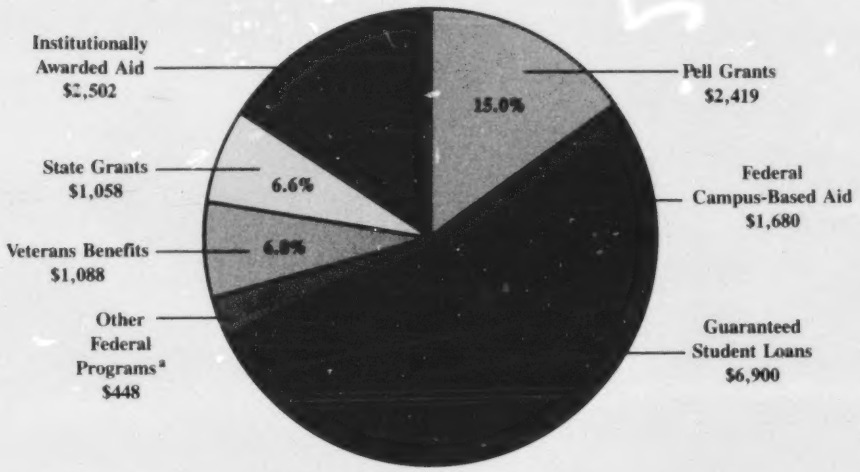
Federal Appropriations and the Effects of Inflation

Table 3 shows appropriations for the generally available federal student aid programs, which are all administered through the U.S. Department of Education. The amounts in Table 3 are in both current and constant (or inflation-adjusted) dollars. The pattern of change in appropriations reflects the same forces that influenced total aid awarded, including the post-Sputnik, Great Society, Pell, and MISAA legislation. Total appropriations before adjusting for inflation peaked in 1983 at a level of $6.7 billion.

By the late 1970s, Pell and GSL had come to dominate federal spending on student aid. The spectacular rise in GSL appropriations between 1978 and 1982 resulted from the expansion of eligibility under MISAA and high interest rates, which drove up the cost of interest subsidies.

Federal appropriations rose fairly steadily until 1983. Adjusted for inflation, however, the figures show that the real value of these appropriations has declined since 1981. Total apropriations dropped in value by nearly 15 percent between fiscal years 1981 and 1984. Excluding GSL, federal appropriations actually peaked in 1979. Between fiscal years 1979 and 1984 the value of Pell Grants, SSIG, and the three campus-based programs (CWS, NDSL, and SEOG) dropped 26 percent after adjusting for inflation.

Figure 1
Estimated Student Aid by Source, 1983–84 Academic Year
(Current dollars in millions)



Note:

Based on Table 1.

[a] Includes federal contributions to SSIG, Social Security educational benefits, and aid from other federally supported grant and loan programs.

Table 1. Aid Awarded to Postsecondary Students in Current Dollars
(In millions)

Federally Supported Programs	Academic Year 1963–64	1970–71	1975–76	1977–78	1980–81	Estimated 1982–83	Estimated 1983–84
Generally Available							
Pell	—	—	936	1,588	2,607	2,439	2,419
SEOG	—	134	201	243	366	355	355
SSIG	—	—	20	60	76	74	60
CWS	—	227	295	469	658	565	641
NDSL	114	240	460	615	695	695	684
GSL-PLUS	—	1,015	1,267	1,737	6,204	6,350	6,900
Subtotal	114	1,616	3,179	4,712	10,607	10,478	11,059
Specially Directed							
Social Security	—	499	1,093	1,370	1,883	733	220
Veterans	67	1,121	4,180	2,598	1,738	1,302	1,088
Other Grants	9	16	64	83	119	81	60
Other Loans	—	42	45	42	61	99	108
Subtotal	76	1,678	5,381	4,093	3,801	2,216	1,476
Total Federal	190	3,295	8,561	8,805	14,408	12,694	12,535
State Grant Programs	56	236	490	677	801	1,025	1,058
Institutionally Awarded Aid	300	965	1,435	1,596	2,138	2,424	2,502
Total All Programs	546	4,496	10,486	11,078	17,347	16,143	16,095

Notes

In addition to all 1982–83 and 1983–84 amounts, some amounts from 1963–64 to 1980–81 are estimated. (See Table A-1 in Appendix A.)

All aid amounts are awards to postsecondary students during the academic year, defined as July through June.

See the text and Table A-1 in Appendix A for definitions of acronyms, descriptions of programs, and the sources of data.

Table 2. Aid Awarded to Postsecondary Students in Constant 1982 Dollars (In millions)

Federally Supported Programs	Academic Year 1963–64	1970–71	1975–76	1977–78	1980–81	Estimated 1982–83	Estimated 1983–84
Generally Available							
Pell	—	—	1,629	2,447	2,905	2,398	2,304
SEOG	—	325	350	375	408	349	339
SSIG	—	—	34	92	85	72	57
CWS	—	552	513	723	734	555	611
NDSL	356	584	800	948	774	683	652
GSL-PLUS	—	2,466	2,204	2,677	6,914	6,242	6,573
Subtotal	356	3,927	5,530	7,262	11,821	10,300	10,535
Specially Directed							
Social Security	—	1,212	1,901	2,111	2,099	721	210
Veterans	211	2,724	7,271	4,003	1,937	1,280	1,036
Other Grants	27	39	110	128	133	80	57
Other Loans	—	102	78	65	68	97	103
Subtotal	238	4,077	9,361	6,307	4,236	2,178	1,406
Total Federal	594	8,004	14,891	13,568	16,057	12,478	11,941
State Grant Programs	176	574	853	1,044	893	1,008	1,008
Institutionally Awarded Aid	940	2,343	2,496	2,459	2,383	2,383	2,383
Total All Programs	1,709	10,922	18,240	17,071	19,334	15,869	15,332

Note: See note to Table 1. This table is based on Table A-2 in Appendix A.

Table 3. Appropriations for Generally Available Federal Aid Programs for Selected Fiscal Years, 1964 to 1984 (Current and constant 1982 dollars in millions)

	Current Dollars 1964	1971	1978	1979	1981	1982	1983	1984
Pell	—	—	2,160	2,431	2,604	2,419	2,419	2,800
SEOG	—	168	270	340	370	355	355	375
SSIG	—	—	64	77	77	74	60	76
CWS	—	158	435	550	550	528	590	555
NDSL	122	243	326	329	201	193	193	181
GSL-PLUS	—	161	480	958	2,535	3,074	3,100	2,256
Total	122	730	3,735	4,685	6,337	6,643	6,718	6,243
	Constant 1982 Dollars							
	1964	**1971**	**1978**	**1979**	**1981**	**1982**	**1983**	**1984**
Pell	—	—	3,264	3,331	2,828	2,445	2,363	2,635
SEOG	—	407	408	466	402	359	347	353
SSIG	—	—	96	105	83	74	59	72
CWS	—	385	657	754	597	534	576	522
NDSL	383	590	492	451	218	195	189	170
GSL-PLUS	—	391	725	1,313	2,754	3,107	3,029	2,123
Total	383	1,774	5,644	6,419	6,882	6,715	6,564	5,877

Notes

The appropriations in the table do not reflect funds carried backward or forward from one fiscal year to another. This is especially true of the Pell Program. The actual amounts of aid awarded appear in Table 1.

Appropriations for NDSL include federal capital contributions and teacher cancellations. Appropriations in current dollars have been converted to constant 1982 dollars on the basis of the CPI for the fiscal year.

Based on Table A-3 in Appendix A.

II

Analyses of Trends in Total Aid

In the previous section, we described overall trends in student aid. Here we place changes in total aid in the context of other developments: the overall growth in higher education and the growth of state and local expenditures for public colleges and universities. In addition, we describe important changes that have taken place in the sources and types of financial aid available to students.

Student Aid and the Growth of Higher Education

Table 4 and Figure 2 provide one way of assessing how student aid has changed relative to total higher education activity. Here we use educational and general expenditures as a measure of the growth of higher education. The table and figure illustrate that student aid has grown dramatically in comparison to the overall growth of higher education since 1963–64, with student aid increasing over five times as fast as educational and general (E and G) expenditures. This relatively fast growth of student aid, however, has stopped in the 1980s.

Our comparison of student aid and E and G expenditures does not imply that institutions ultimately receive all the aid that is awarded to students or that E and G expenditures cover all spending on behalf of students. Student aid includes money that is spent off campus for living and miscellaneous expenses, while E and G expenditures include the costs of educational activity, but not the costs of on-campus dormitories and dining halls. Nevertheless, comparing student aid and educational and general expenditures does help illustrate the fact that student aid has become an increasingly important part of higher education finance over the past twenty years.

The Role of Public Colleges and Universities

Table 5 illustrates a fundamental point: the forms of aid covered in this report represent only a part of the effort that our society makes to provide higher education to its citizens. A majority of college students in the United States enroll in public colleges and universities, many of which charge relatively low tuition thanks to heavy subsidies by state and local governments. Although it is difficult to measure precisely the size of public college subsidies that are functionally equivalent to student aid, the general magnitude of the subsidy can be seen by comparing educational and general expenditures (E and G) with major sources of revenue at public and private colleges. Table 5 shows that tuition and fee revenue constitutes a small fraction of E and G expenditures (16 percent) at public colleges and a large fraction (52 percent) at private colleges. Suport from state and local governments, however, constitutes a large fraction of E and G expenditures (62 percent) at public institutions and a small fraction (4 percent) at private ones.

Comparing Social Security and Veterans Benefits with Other Aid

Figure 3 shows the declining importance of veterans and Social Security benefits for education and suggests that fluctuations in these two programs have accounted for much of the change in total aid awarded over the years.

Social Security and veterans benefits accounted for most of the growth of total aid between 1963–64 and 1975–76. Veterans benefits began declining sharply (in constant dollars), however, after 1975–76, and Social Security began a similar slide in 1982. Combined, the real (inflation-adjusted) value of aid from these two programs has been decreasing since 1975–76. This decline did not initially cause a drop in the total amount of aid awarded because it was offset by growth in other programs. In the early 1980s, however, the amount of aid from these other programs also began to decline in real terms. Nevertheless, changes in Social Security and veterans benefits have accounted for most of the recent real drop in total aid awarded.

Reductions in veterans and Social Security education benefits have consequences in addition to their effect on the size of the total pool of aid. First, students who otherwise might have benefitted from these programs must now rely more heavily on other forms of aid, although other aid has not been increasing to accommodate them in the 1980s. Second, fluctuations in the amount of aid awarded through the Social Security and veterans benefit programs, which are direct grants, have dramatically affected the proportions of total aid distributed as grants and loans.

The Changing Proportions of Grants and Loans

Figure 4 shows that there has been a major change since 1970–71 in the relative proportion of total student aid that has been awarded as grants. From 1970–71 to 1975–76, grant aid

increased from 66 percent to 80 percent of total aid awarded, while loans decreased from 29 to 17 percent. This trend, however, reversed itself in the mid-1970s, as veterans benefits began to drop. Then, in the late 70s, GSL began its spectacular growth. We estimate that in 1983–84, the proportions of total aid awarded as grants and as loans will be about equal, at 48 percent each.

We will show in the next section that an increase in the number of borrowers annually, rather than an increase in the average loan per borrower, accounts for the growth in loans as a proportion of total student aid.

Table 4. Aid to Students and Educational and General Expenditures, Selected Academic Years
(Current and constant 1982 dollars in billions)

	Current Dollars		Constant Dollars	
	Educational and General Expenditures[a]	Aid	Educational and General Expenditures[a]	Aid
1983–84	64.80[b]	16.10[c]	59.00[b]	15.33[c]
1982–83	62.60[b]	16.14[c]	59.70[b]	15.87[c]
1981–82	58.90[b]	18.06[c]	60.50[b]	18.52[c]
1980–81	50.07	17.35	55.78	19.33
1979–80	44.54	14.28	55.37	17.75
1977–78	36.26	11.08	55.87	17.07
1975–76	30.60	10.49	53.21	18.24
1970–71	18.71	4.50	45.46	10.92
1963–64	7.73	.55	24.17	1.71

Notes

Aid and expenditures have been converted to 1982 dollars on the basis of the Consumer Price Index for the academic year.

Because students may use aid to cover living expenses, all of the aid that students receive is not used to cover college charges. Hence, colleges do not receive all the aid as revenue.

[a] For academic years before 1974–75, the National Center for Education Statistics (NCES) excluded student aid expenditures from educational and general expenditures. For 1974–75 and subsequent years, NCES has included student aid expenditures in education and general expenditures. To create a consistent data series, the authors have added student aid to the educational and general expenditures reported by NCES for years preceding 1974–75.

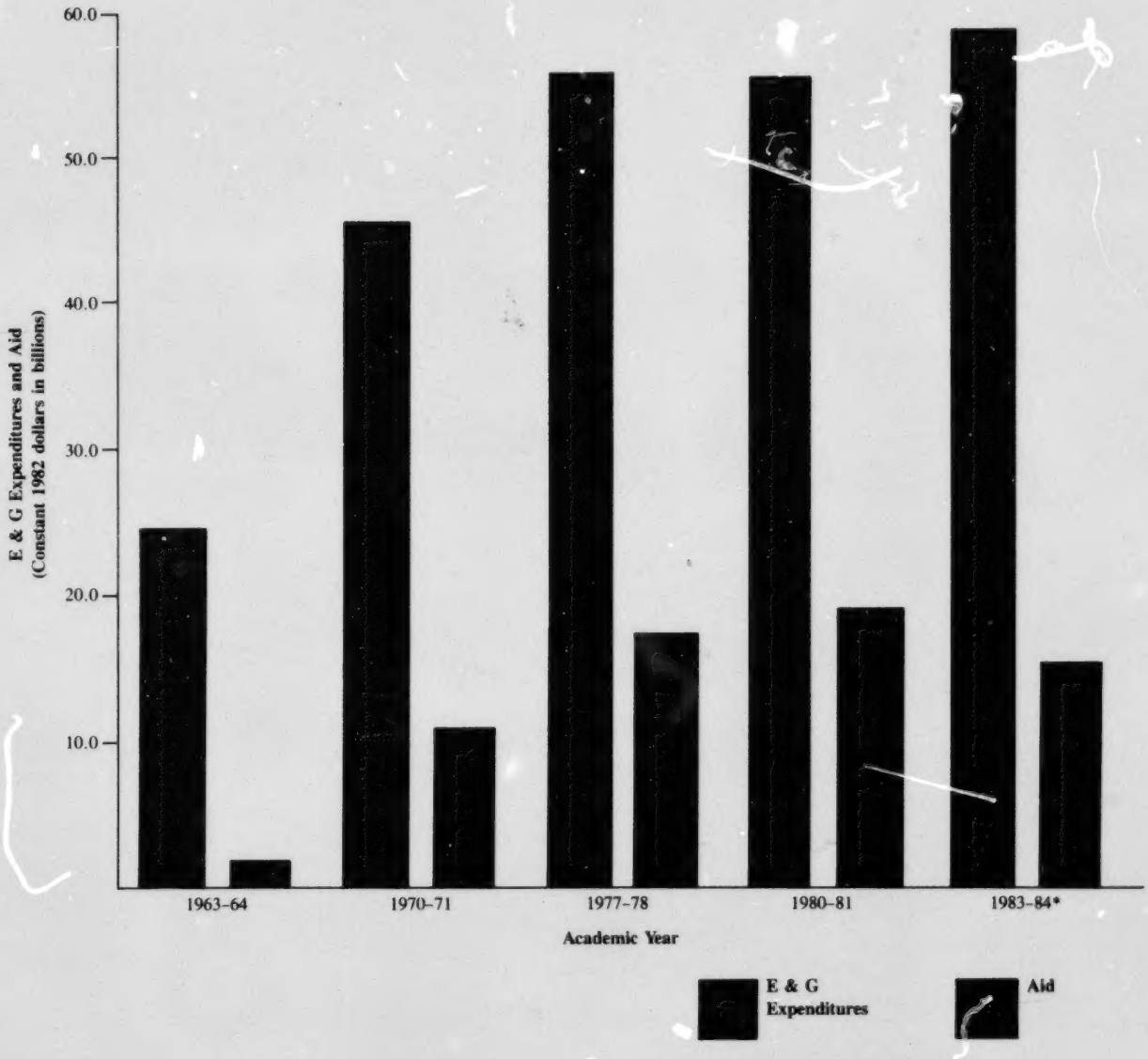
[b] The amount is a forecast. NCES forecasts of educational and general expenditures are exclusive of mandatory transfers for years following 1980–81. The authors have added estimates of mandatory transfers ($950,000 a year in 1982 dollars) to provide a data series that is consistent with the historical figures.

[c] Estimated. See the notes to Table A-1 in Appendix A for details.

Sources

Student Aid—Tables 1 and 2.
Expenditures—National Center for Education Statistics, *Digest of Education Statistics*, 1973 and 1982 and *Projections of Education Statistics to 1990–1991*.

Figure 2
Growth in Student Aid and Educational Activity
(Constant 1982 dollars in billions)



Note:

E & G = Educational and general. Based on Tables 1 and 4.

* Forecast.

Table 5. Expenditures and Sources of Income of Public and Private Colleges, Selected Academic Years (Current dollars in millions)

		Sources of Income			
		Tuition and Fees		State and Local Government	
	E & G Expenditures	Amount	% E & G Expenditures	Amount	% E &G Expenditures
	Public Colleges				
1980–81	34,173	5,570	16.3	21,299	62.3
1979–80	30,627	4,860	15.9	19,410	63.4
1977–78	25,149	4,142	16.5	16,067	63.9
1970–71	12,274	2,032	16.6	7,232	58.9
1963–64	4,310	583	13.5	2,308	53.5
	Private Colleges				
1980–81	15,901	8,203	51.6	598	3.8
1979–80	13,915	7,070	50.8	556	4.0
1977–78	11,108	5,713	51.4	424	3.8
1970–71	6,441	2,989	46.4	178	2.8
1963–64	3,459	1,317	38.1	66	1.9

Notes

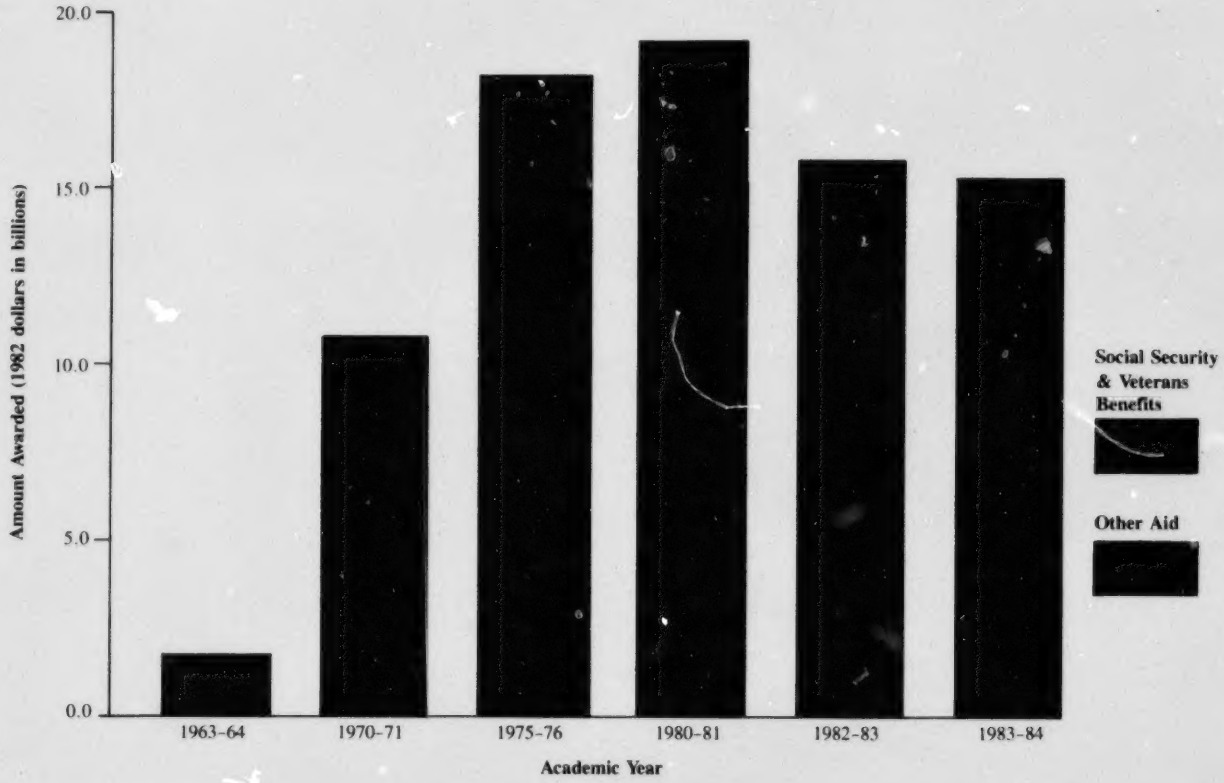
A change in reporting format for educational and general expenditures makes comparison of expenditures for years before and after 1974–75 difficult. In the reports of the National Center for Educational Statistics, scholarship and fellowship expenditures are not included in educational and general expenditures before 1974–75, but are included for 1974–75 and subsequent years. To obtain a consistent data series, the authors added scholarship and fellowship expenditures to the educational and general expenditures reported by NCES for 1963–64 and 1970–71.

E & G = educational and general.

Sources

Office of Education, U.S. Department of Health, Education, and Welfare, *Higher Education Finances: Selected Trend and Summary Data* (1968), pp. 8–12; and National Center for Education Statistics (NCES), U.S. Department (Office) of Education, *Digest of Education Statistics*, 1973, pp. 105 and 111; 1980, pp. 138 and 154; and 1982, pp. 137 and 145. NCES, unpublished data.

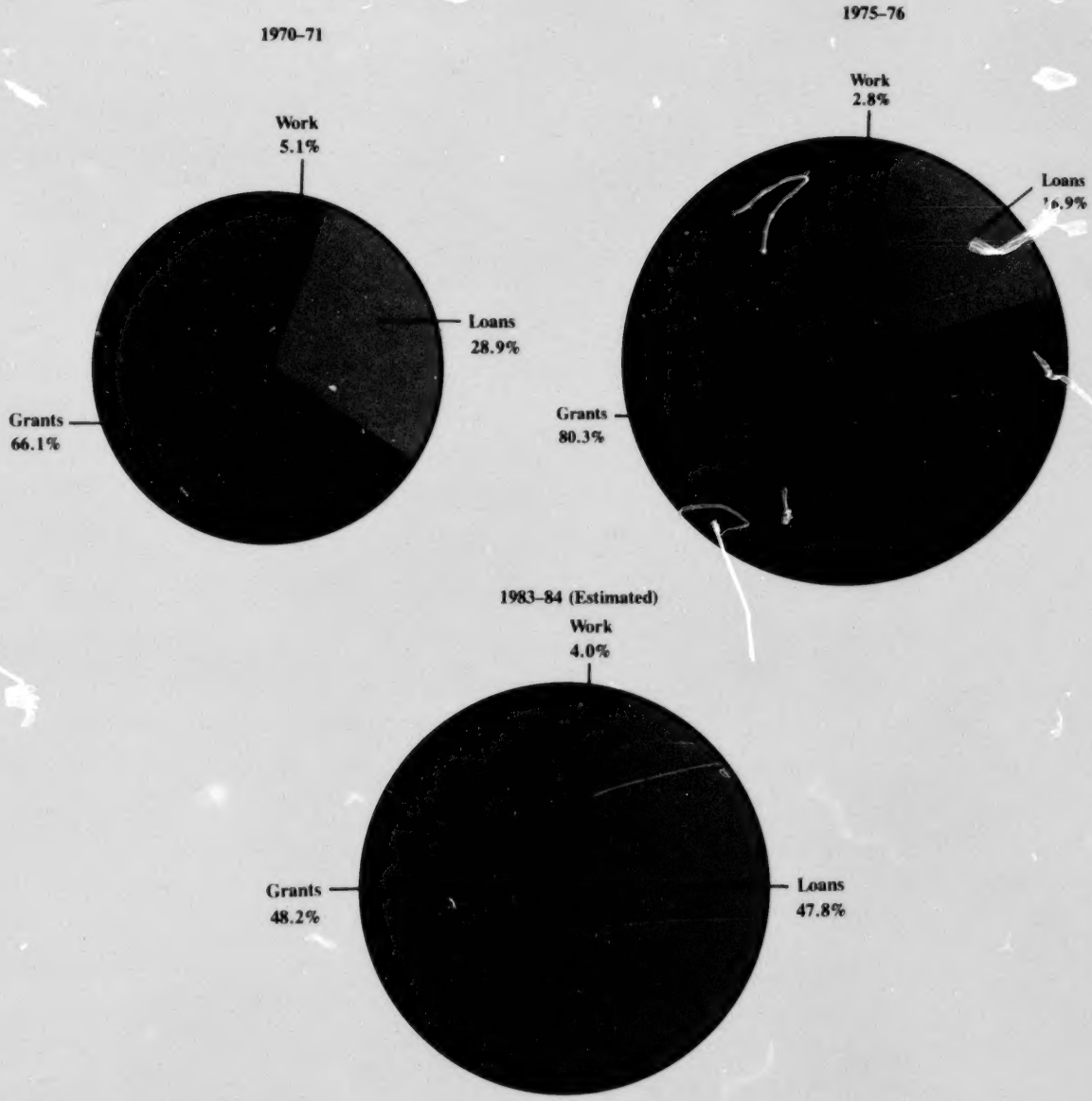
Figure 3
Social Security and Veterans Benefits vs. Other Aid
(Constant 1982 dollars in billions)



Note:

Based on Table 2. Some amounts are estimated. See the notes to Table A-1 in Appendix A for details.

Figure 4
Shares of Aid Provided through Grants, Loans, and Work
(Current and constant 1982 dollars in millions)



Note:

Figures are scaled to total aid in 1982 dollars. Based on Table 2.

III

Aid per Student and Numbers of Recipients

From 1963 to 1983, college enrollments swelled by 145 percent as the postwar baby-boom generation reached college age. This raises three questions. First, has the volume of financial aid kept up with the growth of collge enrollments? A summary measure that provides an answer is average aid per full-time-equivalent (FTE) student. (The National Center for Education Statistics defines FTE enrollment as the number of full-time students plus the number of part-time students converted to the equivalent number of full-time students. See *Projections of Education Statistics to 1990–91: Volume I* (Washington, 1982), p. 121.)

A second question is whether increases or decreases in aid have come about because of changes in the number of students who are eligible for aid or through changes in the size of awards to recipients. Data on the number of recipients of aid from major federal and state need-based student assistance programs and on the size of average awards to recipients can be helpful here.

A third question is how changes in eligibility rules and amounts of aid available have affected the distribution of aid among income groups. Comprehensive data to answer this question are not readily available, but some preliminary conclusions can be drawn from an examination of Pell Grant recipients, for whom we do have good income information.

Aid per FTE Student

Table 6 and Figure 5 illustrate trends in aid awarded per FTE student. Total aid is shown as well as type of award (grant, loan, work). Total aid per FTE student increased through 1981–82 and then dropped. The average grant per FTE student peaked in the early 1980s and then declined sharply. Average loan and work amounts reached a high level in the late 1970s and have remained high in the 1980s.

When the data on aid per FTE student are adjusted for inflation, we find that the average amount of aid available per enrolled student increased 378 percent over the 17 year period from 1963–64 to 1980–81. After that, total aid per FTE student adjusted for inflation declined, dropping 23 percent by 1983–84.

Calculated on a per-student basis, aid figures demonstrate the same kind of shift from grants to loans that we saw when examining aggregate aid. Although total aid adjusted for inflation kept climbing until 1980–81, grant aid per FTE student peaked in 1975–76 and has declined steadily since then. We estimate that average grants per FTE student will be 53 percent lower in 1983–84 than in 1975–76. Over the same period, the average loan per FTE student grew by 123 percent.

Numbers of Recipients and Average Awards

Table 7 shows numbers of recipients and average awards to recipients for the federal generally available aid programs and the state grant programs. From this table, we can tell whether increases in aid from these programs were accompanied by increases in the number of students assisted, increases in the size of awards, or both.

As Table 7 indicates, all the programs tend to show fairly significant increases in recipients and smaller but still noticeable increases in average awards to recipients (unadjusted for inflation), at least until the 1980s. The constant dollar figures, however, reveal that with the exception of GSL, the real value of average awards to recipients declined markedly over time. Real growth in total aid from these programs, therefore, has come from the increased number of programs and the widening of eligibility to larger numbers of students, rather than from real increases in the average awards to recipients in each program.

GSL shows a different pattern, with the number of borrowers declining from 1970–71 to 1975–76 and then increasing sharply. But the average annual loan per borrower after adjusting for inflation remained about the same from 1970–71 to the present. The average loan per borrower has not, therefore, lost its value, but the big growth in real terms in GSL since the mid-1970s is clearly due to increases in the number of borrowers, rather than to increases in the average amount borrowed per recipient each year. (This does not mean, however, that the average cumulative debt burden faced by students completing college has remained the same after accounting for inflation, because students may be taking out more loans in the course of their educational careers than they did in the late 1960s and early 1970s.)

The Incomes of Pell Grant Recipients

Figure 6 shows income distributions for recipients of Pell grants for three years. 1978–79, immediately preceding implementation of MISAA; 1979–80, in which MISAA's effects

were first felt; and 1981–82, by which time Pell grants had experienced several years of level funding. Incomes have been adjusted for inflation to make them comparable over time.

In 1978–79 a majority of the Pell Grant recipients who were classified as financially dependent students came from families with incomes below $15,000 annually (in constant 1982 dollars). Most financially independent students had incomes of less than $5,000 annually.

The passage of MISAA made many more students in higher income brackets eligible for Pell Grants. In 1979–80 the number of dependent students from families earning below $15,000 dropped slightly, and the number from families earning above $15,000 more than doubled. Most of the new recipients came from households with incomes of more than $30,000 a year; this group grew from 57,000 in 1978–79 to 370,000 in 1979–80. The number of independent recipients in all income ranges increased, but the increase was especially large among those earning more than $5,000.

By 1981–82, the numbers of dependent and independent recipients in upper income ranges had dropped from their 1979–80 levels. This was largely because of a form of "bracket creep." With total Pell appropriations and maximum grant levels not fluctuating greatly, high inflation pushed families into income levels that made them ineligible for aid, even though their real income might not have gone up much, if at all.

Table 6. Aid Per Full-Time-Equivalent Student, Selected Academic Years (Current dollars and constant 1982 dollars)

	Current Dollars			
	Total	Grants	Loans	Work
1983–84 (Est.)	1,778	857	849	71
1982–83 (Est.)	1,776	928	786	62
1981–82 (Est.)	2,003	1,046	892	66
1980–81	1,983	1,112	796	75
1979–80	1,683	1,069	544	70
1977–78	1,316	976	284	56
1975–76	1,236	993	209	35
1970–71	667	441	193	34
1963–64	148	117	31	0
	Constant 1982 Dollars			
	Total	Grants	Loans	Work
1983–84 (Est.)	1,693	817	809	67
1982–83 (Est.)	1,745	912	772	61
1981–82 (Est.)	2,054	1,072	915	67
1980–81	2,210	1,239	887	84
1979–80	2,092	1,329	676	87
1977–78	2,029	1,504	438	86
1975–76	2,151	1,727	363	61
1970–71	1,621	1,071	468	82
1963–64	462	366	96	0

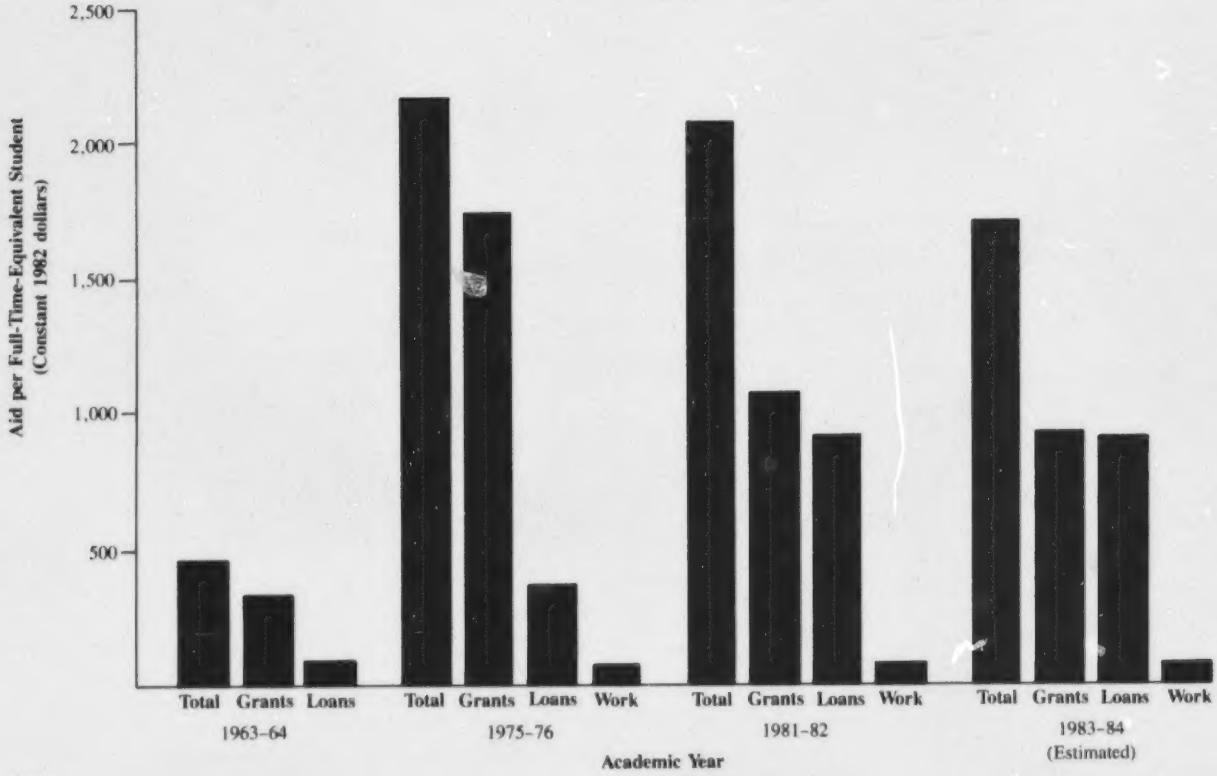
Note

Est. = estimate. The authors estimated some of the amounts of aid from the grant, loan, and work programs. See notes to Table A-1 in Appendix A for identification of the estimated amounts and for descriptions of the estimation procedures. The details may not add to the totals because of rounding.

Source

Derived from Tables 1, 2, and A-6.

Figure 5
Aid per Full-Time-Equivalent Student:
Total, Grants, Loans, Work
(Constant 1982 dollars)



Note:

Based on Table 6.

Table 7. Aid per Recipient and Numbers of Recipients for Selected Academic Years, 1963–64 to 1983–84 (Current dollars and constant 1982 dollars)

	Pell Grant Program				SEOG Program			
	Recipients		Aid per Recipient		Recipients		Aid per Recipient	
	Number (000)	% of Undergraduates	Current Dollars	Constant Dollars	Number (000)	% of Undergraduates	Current Dollars	Constant Dollars
1983–84 (est.)	2,500	32	968	922	545	7	652	621
1982–83 (est.)	2,608[a]	32	935	919	660	8	538	529
1981–82 (est.)	2,709	34	850	872	663	8	558	572
1980–81	2,708	35	963	1,073	717	9	513	572
1979–80	2,538	34	987	1,227	595	8	559	695
1977–78	1,864	25	852	1,313	499	7	488	752
1975–76	1,228	16	763	1,327	390	5	515	896
1970–71	—	—	—	—	253	4	527	1,280
1963–64	—	—	—	—	—	—	—	—

	CWS Program				NDSL Program			
	Recipients		Aid per Recipient		Recipients		Aid per Recipient	
	Number (000)	% of All	Current Dollars	Constant Dollars	Number (000)	% of All	Current Dollars	Constant Dollars
1983–84 (est.)	810	9	725	691	883	10	775	738
1982–83 (est.)	706	8	800	786	810	9	858	843
1981–82 (est.)	739	8	800	820	804	9	852	874
1980–81	819	9	806	898	813	9	853	951
1979–80	923	11	646	803	953	11	677	841
1977–78	845	10	555	855	795	9	773	1,191
1975–76	570	7	518	901	690	8	667	1,160
1970–71	413	6	551	1,338	452	7	532	1,292
1963–64	—	—	—	—	217	6	478	1,496

	GSL and PLUS Programs				State Grant and SSIG Programs			
	Recipients		Loan per Recipient		Recipients		Aid per Recipient	
	Number (000)	% of All	Current Dollars	Constant Dollars	Number (000)	% of All	Current Dollars	Constant Dollars
1983–84 (est.)	2,726	30	2,525	2,405	n.a.	n.a.	n.a.	n.a.
1982–83 (est.)	2,770	31	2,256	2,218	1,496	17	734	722
1981–82	3,173	35	2,290	2,348	1,448	16	690	708
1980–81	2,916	33	2,128	2,372	1,140	13	736	820
1979–80	1,940	23	2,024	2,516	1,278	15	676	840
1977–78	1,014	12	1,713	2,640	1,161	14	635	979
1975–76	922	11	1,374	2,389	902	11	566	984
1970–71	1,017	15	998	2,424	535	8	442	1,074
1963–64	—	—	—	—	n.a.	n.a.	n.a.	n.a.

Notes

See general notes to Table 1. Est. = estimated; n.a. = not available.

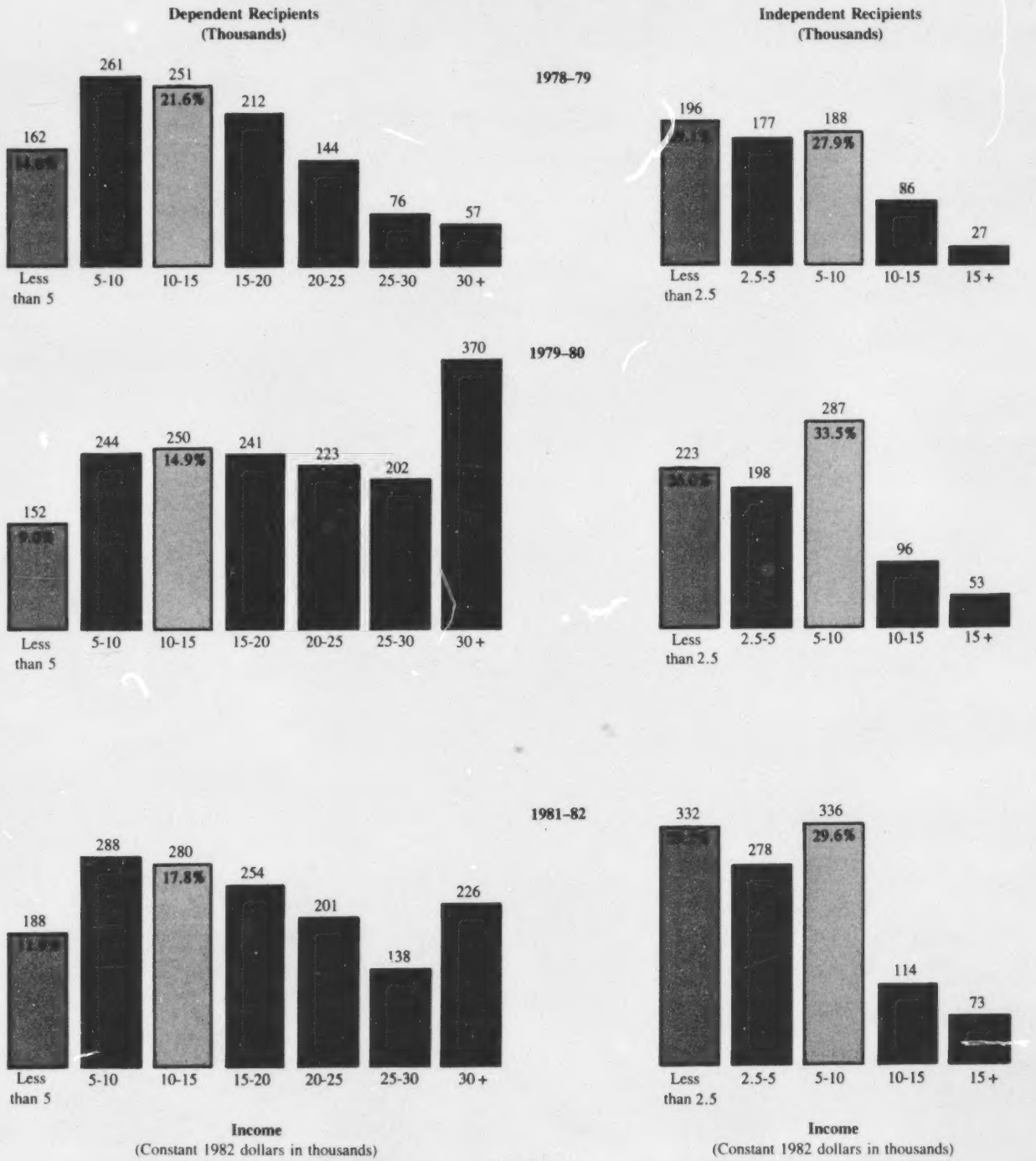
Because of rounding and small discrepancies in the source data, in some cases multiplication of the average award by the number of recipients will give a slightly different amount of total aid from a program than reported in Tables 1 and 2.

[a] This is a preliminary count from the Department of Education, and is likely to be revised downward.

Sources

The figures are taken directly or derived from the sources listed in Table A-1, except the 1980–81 figures for the Campus-Based Programs, which are from U.S. Department of Education, Office of Student Financial Assistance, *1980–81 Campus-Based Programs Annual Report*, pp. 26, 39, and 49.

Figure 6
Estimated Distribution of Pell Grant Recipients by Income in Constant 1982 Dollars



Note:

Based on Table A- 8 in Appendix A.

IV

Comparison of College Costs, Income, and Aid

Since 1963–64, college costs and personal income have increased, and the number of students attending college has grown. These changes suggest several questions. Has aid per student kept up with college costs? Has personal income, which affects a family's ability to pay for postsecondary education, grown faster or slower than college costs? In this section, we describe patterns of growth in costs of attendance and in family and per-capita income; and then we compare the growth of costs, income, and aid.

Costs of Attendance

Table 8 and Figure 7 show costs for three types of institution: private universities (the most expensive type of college a student can attend); community colleges (the least expensive type of college); and four-year public colleges. Costs for private four-year colleges and public universities can be found in Tables A–9 and A–10.

Costs here include tuition, fees, room and board. There are two limitations of the cost data we present. First, the data do not include costs for such things as books, transportation and personal expenses because there are no reliable data that trace these cost items over long periods of time. Second, college room and board changes do not accurately represent the costs of food and shelter for commuting students. Again, reliable data on the living expenses of commuter students over many years are not available.

Costs of attendance increased dramatically between 1963–64 and 1982–83. Most of the increase, however, simply reflects inflation. Nevertheless, after adjusting for inflation, average costs increased substantially at most types of colleges from 1963–64 to 1972–73. Real (inflation-adjusted) costs then declined at most types of schools for the remainder of the 1970s, but have turned sharply upward again in the 1980s.

The real increase in costs from 1963–64 to 1982–83 ranged from 4 percent at public universities to 27 percent at private universities. Costs increased 13 percent at four-year public colleges, 19 percent at community colleges, and 23 percent at private four-year colleges. The reasons for the escalation of college costs above the rate of general inflation are complex and beyond the scope of this report. A comprehensive discussion of inflation and its effects on higher education may be found in Halstead, D.K., *Inflation Measures for Schools and Colleges* (Washington, D.C.; U.S. Government Printng Office, 1983).

Family and Per Capita Income

Table 8 and Figure 8 give two measures of income over time (called time series) to compare with college costs. These two series are disposable personal income per capita and median family income. Neither of the series perfectly represents changes in the financial strength of potential students or their families or of low-income families. However, no published series do so. (Appendix B gives a full explanation of why we selected these two series for comparison with college costs.)

Disposable personal income per capita is the average personal income after taxes of everyone in the United States. It reflects changes in the income of families and of individuals who are not family members. It also reflects changes in taxes.

Median family income is the median before-tax income of all families. Changes in median family income over time do not include changes in tax payments or changes in the income of individuals who are not family members. This measure has one major shortcoming for our purposes; it does not reflect the increased financial strength entailed in decreasing family size. Mean family size dropped about 12 percent from 1965 to 1981. A decline in family size means that income is spread over a smaller number of family members. All other things being equal, a 12-percent decrease in family size means that about 13 percent more income is available to each family member. Thus, median family income is likely to understate changes in the financial strength of families in periods when family size is dropping.

In current dollars both measures of income rose steadily between 1963 and 1982. After adjusting for inflation, both rose substantially from 1963 to 1974. Since 1974, however, per-capita income in constant dollars has remained about the same, and median family income has dropped. In 1982, real disposable personal income per capita was 39 percent higher than it was in 1963; real median family income was 14 percent higher. The increases in these two income series suggest that real income has increased somewhere between 14 and 39 percent from 1963 and 1982. As mentioned above, however, changes in median family income understate the change in income per family member by about 13 percent. The 14-percent increase in family income combined with the 13-percent increase in income per family member gives an increase in income per family member of about 28 percent. While this 28-percent increase is by no means precise, it does suggest that between 1963 and 1983 the financial resources available to families increased by a percentage in the upper

end of the 14- to 39-percent range defined by the two income series.

Comparison of Costs, Income, and Aid per FTE Student

Table 8 and Figures 9 and 10 bring together information on college cost, income, and aid per FTE student to help assess changes in the ability of students and families to finance postsecondary education from their own resources and with financial aid.

For the entire period from 1963–64 to 1982–83, it is likely that increases in real income (in the upper end of a 14- to 39-percent range) have exceeded the real growth of college costs (4- to 27-percent). Again over the entire period, real increases of 278 percent in total aid per FTE student and 149 percent in grants per FTE student have far outpaced the increase in college costs. However, it is important to recognize that most of the growth in income and aid per FTE student occurred between 1963–64 and 1973–74, and that the percentage increases in aid are high because aid at the beginning of the period was so low.

The early 1980s have seen a major change in the relationship of costs, income, and aid. Costs have increased, but income and aid per FTE student have not. Between 1980–81 and 1982–83, real increases in college costs in constant dollars have ranged from 4 percent at community colleges to 15 percent at private universities. Real disposable personal income has remained the same, and real median family income has dropped five percent. We estimate that total aid per FTE student dropped about 21 percent over this period and that grants per FTE fell about 26 percent.

Figures 9 and 10 provide yet another way of looking at the relationship between income and college costs. Figure 9 shows the ratio of costs to personal disposable income per capita, a ratio that declined until the late 1970s and then began to increase. Figure 10 shows the ratio of costs to median family income, which rose in the early 1970s, declined in the late 1970s, and then began to increase again. Because median family income understates per-capita changes in the financial strength of families when family size is declining, the ratio of costs to median family income probably overstates changes in the financial burden of higher education. Since family size became smaller as time went on, the overstatement is probably greater in later years than in the earlier years.

By computing ratios of costs to income, we do not imply that families should be able to pay annual costs out of annual income. Postsecondary education is a lifetime investment. Consequently, families often pay for education out of past income (by using savings), current income, and future income (by borrowing). Annual income, therefore, can best be described as an indicator of "annually recurring financial resources" when it is compared with college costs.

Finally, it is important to note that although the data we have assembled show that, on average, families now have more resources from income and student aid to cover college costs than they had in 1963–64, these data do not show how low-income or minority families have fared. Nor do they show whether differences in opportunities to obtain a higher education owing to differences in income, race, or ethnicity have been eliminated. Answering these questions would require analysis that is beyond the scope of this report.

Table 8. Costs of Attendance, Income, and Student Aid for Selected Academic Years, 1963–64 to 1983–84
(Current and constant 1982 dollars)

	Current Dollars					
	Costs of Attendance[a]			Income[b]		
	Private University	Public Four Year[c]	Community College	Personal Disposable (Per Capita)	Median Family	Aid per FTE
1983–84	n.a.	n.a.	n.a.	n.a.	n.a.	1,778 (Est.)
1982–83	8,537	3,032	2,390	9,362	23,433	1,776 (Est.)
1981–82	7,491	2,706	2,250	8,827	22,388	2,003 (Est.)
1980–81	6,566	2,419	2,018	8,012	21,023	1,983
1979–80	5,888	2,198	1,817	7,331	19,587	1,683
1977–78	5,193	1,924	1,590	5,965	16,009	1,316
1975–76	4,467	1,657	1,386	5,075	13,719	1,236
1970–71	3,163	1,209	1,017	3,390	9,867	667
1963–64	2,105	846	630	2,144	6,548	148
	Constant 1982 Dollars					
	Costs of Attendance[a]			Income[b]		
	Private University	Public Four Year[c]	Community College	Personal Disposable (Per Capita)	Median Family	Aid per FTE
1983–84	n.a.	n.a.	n.a.	n.a.	n.a.	1,693 (Est.)
1982–83	8,392	2,980	2,349	9,362	23,433	1,745 (Est.)
1981–82	7,682	2,775	2,307	9,368	23,761	2,054 (Est.)
1980–81	7,318	2,696	2,249	9,385	24,626	2,210
1979–80	7,318	2,732	2,258	9,749	26,047	2,092
1977–78	8,003	2,965	2,450	9,501	25,500	2,029
1975–76	7,770	2,882	2,411	9,102	24,604	2,151
1970–71	7,684	2,937	2,471	8,427	24,528	1,621
1963–64	6,586	2,647	1,971	6,759	20,644	462

Notes

Est. = estimate; FTE = full time equivalent student; n.a. = not available.

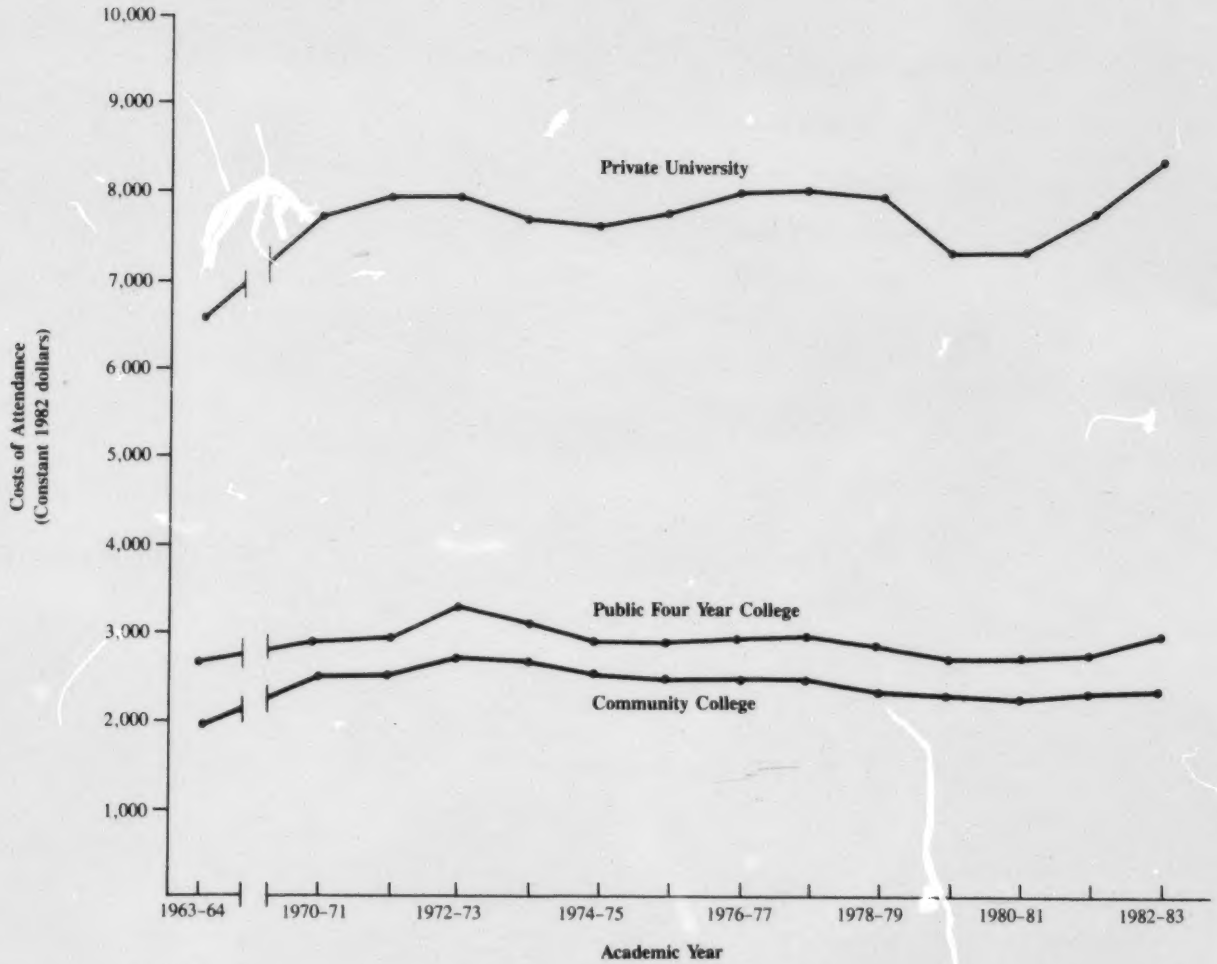
Based on Table 6 and Tables A-9, A-10, and B-1 in the appendices.

[a] Costs are for the nine month academic year, and include tuition, fees, room, and board.

[b] Income is for the calendar year in which the academic year begins.

[c] The public four year category does not include universities.

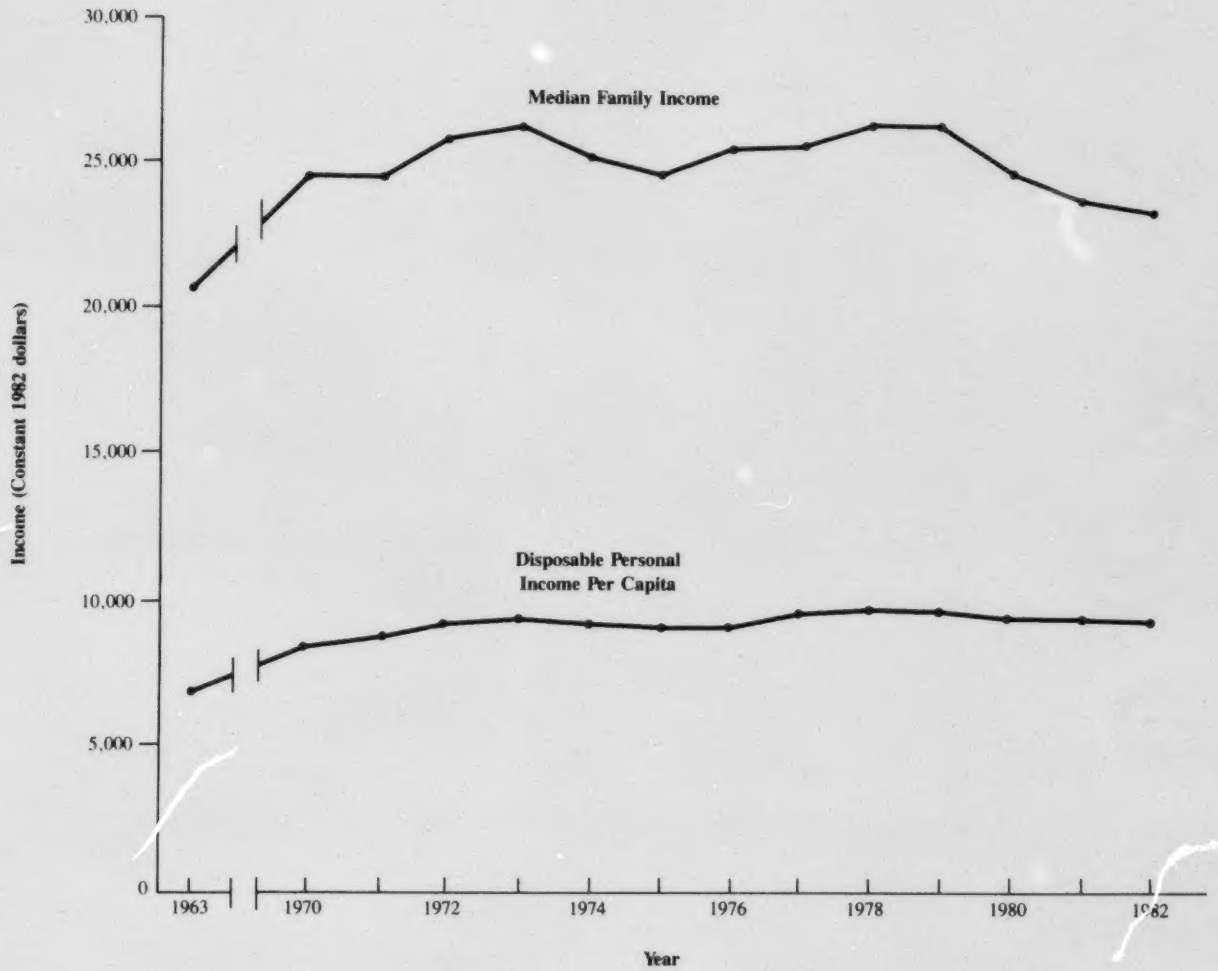
Figure 7
Costs of Attendance
(Constant 1982 dollars)



Note:

Costs include tuition, fees, room, and board. Based on Table A-10 in Appendix A.

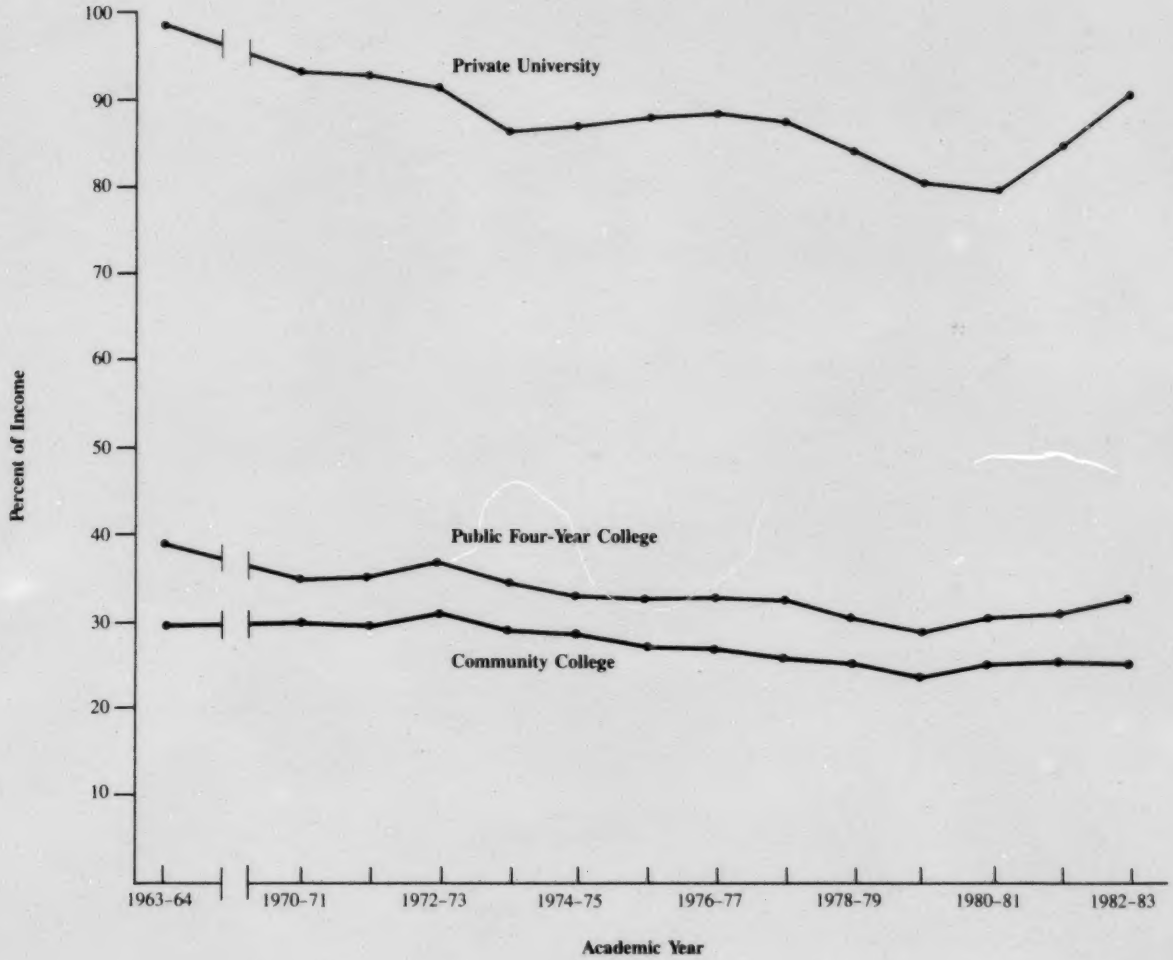
Figure 8
Income
(Constant 1982 dollars)



Note:

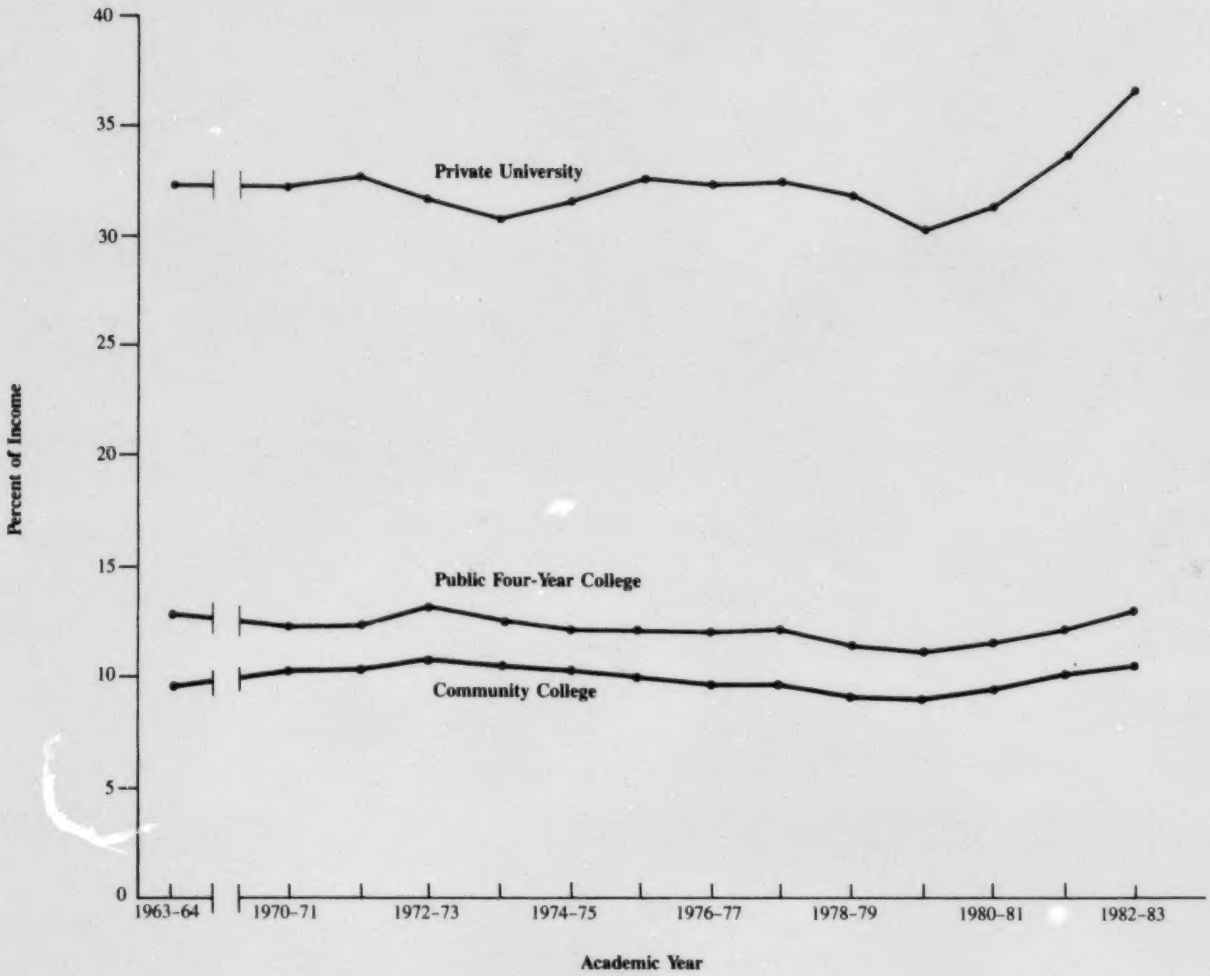
Based on Table B-1 in Appendix B.

Figure 9
College Cost as a Percent of Disposable Personal Income per Capita



Note:
Based on Table A-11 in Appendix A.

Figure 10
College Cost as a Percent of Median Family Income



Note:

Based on Table A-11 in Appendix A.

V

Distribution of Pell and Campus-Based Aid Among Institutions

The award of Pell Grants to freshmen in the academic year 1973–74 marked the beginning of a steady increase, in both current and constant dollars, in the amount of generally available, need-based federal aid. This increase continued to the end of the decade. In this section, we describe the shifts in the distribution of aid under Pell Grants and the so-called campus-based programs (CWS, NDSL, and SEOG) among types of postsecondary institutions. We do not discuss other aid programs because records are not kept on the distribution of aid by institutional type. The information in this section is somewhat tangential to the themes described in the other sections of this study. However, we present data on the distribution of aid among institutions because some readers are likely to have use for the data.

Tables 9 and 10 show that in both current and constant dollars, the amount of Pell and campus-based aid awarded to students in public, private, and proprietary schools increased sharply between 1973–74 and 1980–81.

Although public, private, and proprietary sectors received an increasing amount of aid throughout the 1970s, the mix of aid among the three sectors shifted. The share of aid that public and private schools received decreased, while the share that proprietary schools received increased. Between 1973–74 and 1980–81, the public college share of Pell and campus-based aid decreased from 61 percent of the total to 57 percent. The share received by private schools decreased from 38 percent to 33 percent, and that received by proprietary schools increased from one percent to ten percent. Within the public sector, two-year colleges substantially increased their share of aid, while four-year colleges saw a considerable decrease in their share.

The Department of Education, in its statistical reports, classifies institutions according to university status and length of program. For convenience, in Tables 9 and 10, universities and other four-year colleges are combined into a category called four-year institutions, and the schools offering programs less than four years in length are combined into a category called two-year institutions.

Table 9. Distribution of Aid from the Pell and Campus-Based Programs by Type and Control of Institution (Current and constant 1982 dollars in millions)

	Current Dollars					
	Pell Program			Campus-Based Programs		
	1973–74	1977–78	Estimated 1982–83	1973–74	1977–78	1980–81
Public	32.9	1,064.6	1,382.6	558.8	776.3	912.2
2-Year	(12.4)	(385.4)	(443.8)	(108.8)	(152.8)	(173.3)
4-Year	(20.5)	(679.2)	(938.8)	(449.7)	(623.6)	(738.8)
Private	13.1	369.5	646.8	349.4	475.4	718.7
Proprietary	3.5	140.9	410.0	9.9	75.8	88.8
Other	.3	12.9	.1	—	—	—
Total	49.9	1,587.9	2,439.4	918.0	1,327.5	1,719.6
	Constant 1982 Dollars					
	Pell Program			Campus-Based Programs		
	1973–74	1977–78	Estimated 1982–83	1973–74	1977–78	1980–81
Public	68.1	1,640.6	1,359.1	1,564.4	1,196.3	1,016.6
2-Year	(25.7)	(593.9)	(436.3)	(225.2)	(235.5)	(193.1)
4-Year	(42.4)	(1,046.7)	(922.8)	(930.6)	(961.0)	(823.4)
Private	27.1	569.4	635.8	723.1	732.6	801.0
Proprietary	7.2	217.1	403.0	20.5	116.8	99.0
Other	0.6	19.9	.1	—	—	—
Total	103.3	2,447.0	2,397.9	1,899.7	2,045.7	1,916.5
	Percent					
	Pell Program			Campus-Based Programs		
	1973–74	1977–78	Estimated 1982–83	1973–74	1977–78	1980–81
Public	66.0	67.0	56.7	60.9	58.5	53.0
2-Year	(24.9)	(24.3)	(18.2)	(11.9)	(11.5)	(10.1)
4-Year	(41.2)	(42.8)	(38.5)	(49.0)	(47.0)	(43.0)
Private	26.3	23.3	26.5	38.1	35.8	41.8
Proprietary	7.0	8.9	16.8	1.1	5.7	5.2
Other	.6	.8	*	—	—	—
Total	100.0	100.0	100.0	100.0	100.0	100.0

Notes

The last year of data for the Pell and Campus-Based Programs is the most recent year for which data are available.

The current dollar figures have been converted to constant 1982 dollars on the basis of the Consumer Price Index for the academic year.

Based on Tables A-12, A-13, and A-15 in Appendix A.

The details may not add to the totals because of rounding.

* Less than .05 percent.

Table 10. Distribution of Combined Pell and Campus-Based Program Aid by Type and Control of Institution for Selected Academic Years, 1973–74 to 1980–81 (Current and constant 1982 dollars in millions)

	Current Dollars			
	1973–74	1977–78	1978–79	1980–81
Public	591.7	1,840.9	1,836.8	2,479.9
2-Year	(121.2)	(538.2)	(545.8)	(749.6)
4-Year	(470.2)	(1,302.8)	(1,290.8)	(1,730.2)
Private	362.5	844.9	975.6	1,436.2
Proprietary	13.4	216.7	276.1	410.5
Other	.3	12.9	.0	.0
Total	967.9	2,915.4	3,088.4	4,326.5
	Constant 1982 Dollars			
	1973–74	1977–78	1978–79	1980–81
Public	1,224.5	2,836.9	2,587.8	2,763.8
2-Year	(250.8)	(829.4)	(769.0)	(835.4)
4-Year	(973.0)	(2,007.7)	(1,818.6)	(1,928.3)
Private	750.2	1,302.0	1,374.5	1,600.6
Proprietary	27.7	333.9	389.0	457.5
Other	.6	19.9	.0	.0
Total	2,003.0	4,492.8	4,351.2	4,821.9
	Percent			
	1973–74	1977–78	1978–79	1980–81
Public	61.1	63.1	59.5	57.3
2-Year	(12.5)	(18.5)	(17.7)	(17.3)
4-Year	(48.6)	(44.7)	(41.8)	(40.0)
Private	37.5	29.0	31.6	33.2
Proprietary	1.4	7.4	8.9	9.5
Other	*	.4	.0	.0
Total	100.0	100.0	100.0	100.0

Notes

The current dollar figures have been converted to constant 1982 dollars on the basis of the Consumer Price Index for the academic year.

Based on Tables A-14 and A-15 in Appendix A.

The details may not add to the totals because of rounding.

* Less than .05 percent.

Appendix A:

Statistical Appendix

Table A-1. Aid Awarded to Students by Source, Selected Academic Years
(Current dollars in millions)

	Academic Year[a]								
Federally Supported Programs	**1963–64**	**1970–71**	**1975–76**	**1977–78**	**1979–80**	**1980–81**	**Estimated 1981–82**	**Estimated 1982–83**	**Estimated 1983–84**
Generally Available Aid									
Pell Grants	—	—	936	1,588	2,505	2,607	2,302	2,439	2,419
SEOG[b]	—	134	201	243	333	366	370	355	355
SSIG	—	—	20	60	76	76	76	74	60
CWS[c]	—	227[d]	295	469	595	658	591	565	641
NDSL[e]	114	240	460	615	646	695	685	695	684
GSL and PLUS[f]	—	1,015	1,267	1,737	3,926	6,204	7,267	6,350	6,900
Subtotal	114	1,616	3,179	4,712	8,081	10,607	11,292	10,478	11,059
Specially Directed Aid									
Social Security[g]	—	499	1,093	1,370	1,587	1,883	1,996	733	220
Veterans[h]	67[i]	1,121[i]	4,180	2,598	1,784	1,738	1,336	1,302[j]	1,088[j]
Other Grants[k]	9	16	64	83	115	119	102	81	60
Other Loans[l]	—	42	45	42	42	61	88	99	108
Subtotal	76	1,678	5,381	4,093	3,528	3,801	3,522	2,216	1,476
Total Federal Aid	190	3,295	8,561	8,805	11,609	14,408	14,814	12,694	12,535
State Grant Programs[m]	56	236	490	677	788	801	921	1,025	1,058[n]
Institutionally Awarded Aid[o]	300	965	1,435	1,596	1,888	2,138	2,324[p]	2,424[p]	2,502[p]
Total Federal, State, and Institutional Aid	546	4,496	10,486	11,078	14,284	17,347	18,058	16,143	16,095

Notes

CWS = College Work Study Program; GSLP = Guaranteed Student Loan Program; NDSL = National Direct (Defense) Student Loan Program; PLUS = Parental Loans for Undergraduate Students; SEOG = Supplemental Educational Opportunity Grant; SSIG = State Student Incentive Grant.

Details may not add to subtotals and totals because of rounding.

[a] Table 1 reports aid awarded to students in selected academic years, defined as July 1 to June 30. Thus, the numbers in this table do not correspond to aid reported on a fiscal year basis. For programs that are forward funded, such as Pell Grants, obtaining academic year data is no problem because the federal government reports expenditures on that basis. For currently funded programs, such as GSL, Social Security, Veterans Benefits, and a number of "other" programs, the situation is more complicated. Expenditures are normally reported in the fiscal year they are made, and since 1977, when the federal fiscal year was changed to begin on October 1, fiscal years and academic years no longer coincide. For currently funded programs, therefore, the authors have converted fiscal year data for 1977 and subsequent years to academic year equivalents by assigning July-September expenditures to the appropriate academic year.

[b] Before 1973–74, the program was called the Educational Opportunity Grant Program.

[c] College Work Study (CWS) aid includes the federal and institutional shares. The federal share may not exceed 80 percent of the compensation paid to the student. The institutional share may come from the institution's funds or from an off-campus, nonprofit agency.

[d] From 1965 through 1970, the College Work Study Program expenditures supported students during the calendar year. Thus, fiscal year 1970 funds supported students during calendar year 1970. The program was converted to forward-funding during an 18-month transition period—from January 1, 1971, to June 30, 1972. The authors have estimated CWS aid for academic year 1970–71 by assuming that it included one-half of 1970 expenditures and one-third of the transition period expenditures.

[e] National Direct Student Loan (NDSL) assistance primarily includes money made available for new loans from federal and institutional capital contributions, collections from borrowers, and federal reimbursement for cancellations. The institutional capital contribution generally is one-ninth of the federal capital contribution.

[f] The amounts reported are loan commitments to undergraduate and graduate students from July 1 through June 30. Commitments rather than amounts loaned are reported because loan amounts are not available for the July 1 to June 30 award periods after 1976. However, commitments are very close to amounts loaned. Fiscal year loan commitments over the period covered were always within one million dollars of the amount loaned during the fiscal year.

[g] The authors have estimated the amount of Social Security benefits used for postsecondary education because the Social Security Administration's (SSA) records do not distinguish expenditures for postsecondary and lower level education. However, SSA estimates that 82.5 percent of benefits are for postsecondary schooling. The aid reported in the table for each year is 82.5 percent of total expenditures for the period. This estimation procedure, while the only one feasible, may result in significant estimation errors.

[h] Veterans Benefits are payments for postsecondary education and training to veterans and their dependents for the July through June academic year.

[i] Records of the amount of Veterans Benefits spent for postsecondary education are not available for years preceding the 1972–73 academic year. The authors have estimated the amount spent on higher education during the missing years on the basis of a regression model. The variables used were total veterans educational expenditures in constant dollars and the number of recipients of Veterans Benefits who were not enrolled in postsecondary institutions. The standard error of the estimate of this model is 1.5 percent of the mean value of postsecondary benefits (in constant dollars) from 1972–73 to 1981–82.

[j] The same model described in note i was used to estimate benefits. The authors assumed that in fiscal years 1983 and 1984 respectively 20.5 percent and 20 percent of beneficiaries would obtain training outside of postsecondary institutions.

[k] Other grants include Higher Education Grants for Indian Students, Fellowships for Indian Students, National Science Foundation pre-doctoral fellowships (general graduate and minority programs), National Health Service Corps Scholarships, Nursing Fellowships, and fellowships awarded through the Council on Legal Educational Opportunity. Most of the figures involved some estimates by the authors either to determine the amount of aid awarded to students in undergraduate or pre-doctoral graduate programs or the amount awarded during the academic year.

[l] Other loans include amounts loaned under the Health Professions Student Loan Program, the Health Education Assistance Loan Program (HEAL), and the Nursing Student Loan Program. The amounts borrowed through the HEAL program during the academic year (as opposed to the fiscal year) were estimated by the authors.

[m] State grant aid includes awards both from programs that required the student to show need and from some programs that did not.

To avoid double counting, federal SSIG expenditures have been subtracted from state awards reported in the National Association of State Scholarship and Grant Programs (NASSGP) survey.

Between 1970–71 and 1980–81, state aid includes only undergraduate aid because graduate aid was not reported in the NASSGP survey. Graduate aid is included in the 1981–82 and 1982–83 figures.

The 1982–83 figure is the estimated award amount reported in the NASSGP survey.

[n] The 1983–84 figure is an estimate based on the assumption that awards would be the same in constant dollars in 1983–84 as in 1982–83.

[o] Except for SEOG, institutional awards include, in addition to institutionally funded aid, scholarships and fellowships for outright grants and trainee stipends through government programs that allow the institution to select the recipient. Although it would be desirable to report this government aid separately, it is impossible to do so because the Higher Education General Informal Survey (HEGIS) from which institutional awards are estimated does not make this distinction.

Although institutions vary in what aid they report in the scholarships and fellowships item in HEGIS, it is likely that some aid from the following federal programs is included in the responses: Graduate and Professional Opportunities Program; Public Service Fellowships; Scholarships for First Year Health Professions Students with Exceptional Need; Nursing Scholarships; Professional Nurse Traineeships; National Institutes of Health National Research Service Award (pre-doctoral training) and Medical Scientist Training Award program; Alcohol, Drug Abuse, and Mental Health Administration National Research Service Award traineeships; National Science Foundation pre-doctoral traineeships; National Defense Education Act Language Training and Area Studies and Teaching fellowships; Education Professions Development Act awards; Prospective Teacher Fellowships; Fulbright-Hayes; Fellowships for Domestic Mining and Minerals Fuel Conservation; and Library Institute Fellowships.

Some SSIG and state aid may be included in institutionally awarded aid because some states allow institutions to determine a student's eligibility for SSIG and state awards.

[p] Data on institutional awards are not available. The estimate is based on the assumption that institutional awards will be the same in constant dollars as they were in 1980–81.

Sources

Pell Grant Program

1983–84—Office of Management and Budget, Executive Office of the President, *Appendix: Budget of the United States Government, Fiscal Year 1984* (1983), p. I-I 10.

1981–82 to 1982–83—Office of Student Financial Assistance, U.S. Department of Education, unpublished tables from the Institu-

tional Agreement and Authorization Reports of August 2 and August 10, 1983.

1978–79 to 1980–81—U.S. Department (Office) of Education, *Pell Grants: End-of-Year Report* for 1978–79 through 1980–81, Table 14A.

1974–75 to 1975–76 and 1977–78—Office of Student Financial Assistance, U.S. Department of Education, *OSFA Program Book: July 1981*, pp. 23–25.

1976–77—Office of Education, U.S. Department of Health, Education, and Welfare, "Basic Educational Opportunity Grant Program: End of Year Report" (1976–77), Part II, Table 1.

Supplemental Educational Opportunity Grant Program

1984–85—The authors estimated award amounts from unpublished appropriation and award data from the Office of Student Financial Assistance, U.S. Department of Education.

1983–84—Office of Management and Budget, Executive Office of the President, *Appendix: Budget of the United States Government, Fiscal Year 1984* (1983), p. I-I 10.

1981–82 to 1982–83—Letter from the Office of Student Financial Assistance, U.S. Department of Education, May 10, 1983.

1980–81—Office of Student Financial Assistance, U.S. Department of Education, *1980–81 Campus-Based Programs Annual Report* (1982), p. 46.

1970–71 to 1979–80—Office of Student Financial Assistance, U.S. Department of Education, *OSFA Program Book: July, 1981*, pp. 61–64.

College Work Study Program

1983–84—Office of Management and Budget, Executive Office of the President, *Appendix: Budget of the United States Government, Fiscal Year 1984* (1983), p. I-I 10.

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1980–81—Office of Student Financial Assistance, U.S. Department of Education, *1980–81 Campus-Based Programs Annual Report* (1982), p. 41.

1973–74 to 1979–80—Office of Student Financial Assistance, U.S. Department of Education, *OSFA Program Book: July, 1981*, pp. 70–73.

1970 to 1972—Bureau of Postsecondary Education, U.S. Department of Health, Education, and Welfare, *Factbook: Summary of Program Information Through Fiscal Year 1976* (1977), p. 19.

National Direct Student Loan Program

1983–84—Office of Management and Budget, Executive Office of the President, *Appendix: Budget of the United States Government, Fiscal Year 1984* (1983), p. I-I 10.

1981–82 to 1982–83—Letter from the Office of Student Financial Assistance, U.S. Department of Education, May 10, 1983.

1980–81—Office of Student Financial Assistance, U.S. Department of Education, *1980–81 Campus-Based Programs Annual Report* (1982), p. 22.

1963–64 to 1979–80—Office of Student Financial Assistance, U.S. Department of Education, *OSFA Program Book: July, 1981*, pp. 51–55.

State Student Incentive Grant Program

Office of Student Financial Assistance, U.S. Department of Education, unpublished data.

Guaranteed Student Loan and Parental Loans for Undergraduate Students Programs

1982–83 to 1983–84—The authors estimated loan volume for each academic year from estimates for fiscal years 1983 and 1984 obtained from the Congressional Budget Office on October 14, 1983. The amounts loaned from July through September of 1977 through 1982 ranged from 50 to 54 percent of the total amounts borrowed during the fiscal years, and averaged 52 percent. The academic year estimates are based on the assumption that 52 percent of the amounts borrowed in fiscal years 1983 and 1984 would be borrowed in the July to September quarter of each year.

1970–71 to 1981–82—Office of Student Financial Assistance, U.S. Department of Education, *OSFA Program Book: July 1981*, p. 38, and unpublished data.

Social Security Education Benefits

Social Security Administration, U.S. Department of Health and Human Services, unpublished data.

Veterans Education Benefits

1982–83 to 1983–84—Estimated by the authors on the basis of estimates of costs of assistance and number of trainees that appear in Office of Management and Budget, Executive Office of the President, *Appendix: Budget of the United States Government, Fiscal Year 1984* (1983), pp. I-U4 – I-U5. See notes i and j above for the estimation procedure.

1972–73 to 1981–82—Department of Veterans Benefits, U.S. Veterans Administration, unpublished data.

1963–64 to 1971–72—Estimated by the authors on the basis of the numbers of beneficiaries enrolled in schools other than postsecondary institutions and total expenditures for rehabilitation benefits in U.S. Veterans Administration, *Annual Report of the Administrator* for 1963, 1971 and 1972. See note i for the estimation procedure.

Other Grants and Loans

The amounts were obtained through correspondence and conversation with officials of the agencies that sponsor the programs. In some cases, the amounts were derived from data provided by these officials. See notes k and l above for lists of the programs included in this category.

State Programs

For 1970–71 to 1982–83—gross expenditures from the 7th through 14th issues of the *Annual Survey* of the National Association of State Scholarship and Grant Programs (Pennsylvania Higher Education Assistance Agency, Harrisburg, Pennsylvania) and federal SSIG expenditures from the 12th through 14th surveys and the SSIG source cited above.

For 1963–64, a survey of state programs conducted by the Washington Office of the College Board.

Institutionally Awarded Aid

SEOG expenditures were subtracted from institutional expenditures. Gross expenditures from National Center for Education Statistics, U.S. Department (Office) of Education, *Digest of Education Statistics*, 1973, 1975, and 1981, *Bulletin: December 1981*, and unpublished data.

Table A-2. Aid Awarded to Students by Source, Selected Academic Years (Constant 1982 dollars in millions)

Federally Supported Programs	Academic Year 1963–64	1970–71	1975–76	1977–78	1979–80	1980–81	Estimated 1981–82	Estimated 1982–83	Estimated 1983–84
Generally Available Aid									
Pell Grants	—	—	1,629	2,447	3,113	2,905	2,361	2,398	2,304
SEOG	—	325	350	375	414	408	379	349	339
SSIG	—	—	34	92	95	85	78	72	57
CWS	—	552	513	723	740	734	606	555	611
NDSL	356	584	800	948	803	774	702	683	652
GSL and PLUS	—	2,466	2,204	2,677	4,880	6,914	7,453	6,242	6,573
Subtotal	356	3,927	5,530	7,262	10,044	11,821	11,581	10,300	10,535
Specially Directed Aid									
Social Security	—	1,212	1,901	2,111	1,972	2,099	2,047	721	210
Veterans	211	2,724	7,271	4,003	2,218	1,937	1,370	1,280	1,036
Other Grants	27	39	110	128	142	133	105	80	57
Other Loans	—	102	78	65	52	68	90	97	103
Subtotal	238	4,077	9,361	6,307	4,385	4,236	3,612	2,178	1,406
Total Federal Aid	594	8,004	14,891	13,568	14,429	16,057	15,192	12,478	11,941
State Grant Programs	176	574	853	1,044	979	893	944	1,008	1,008
Institutionally Awarded Aid	940	2,343	2,496	2,459	2,346	2,383	2,383	2,383	2,383
Total Federal, State, and Institutional Aid	1,709	10,922	18,240	17,071	17,754	19,334	18,520	15,869	15,332

Note

See the notes to Table A-1 for descriptions of the sources of aid and for the basis of the estimated figures. All figures are current dollar figures from Table A-1 converted to 1982 dollars on the basis of the Consumer Price Index (CPI) for the July to June academic year. The CPI forecast used to deflate the 1983–84 figures was based on Congressional Budget Office forecasts (August 1982) of the fourth quarter to fourth quarter change in the CPI for 1983 and 1984. The authors estimated the CPI for 1983–84 to be 303.5.

Source

See Table A-1.

Table A-3. Fiscal Year Appropriations for Generally Available Federal Aid Programs (Current and constant 1982 dollars in millions)

Current Dollars

Program	1964	1971	1976	1978	1979	1980	1981	1982	1983
Pell[a]	—	—	1,326	2,160	2,431	1,718	2,604	2,419	2,419
SEOG	—	168	240	270	340	370	370	355	355
SSIG	—	—	44	64	77	77	77	74	60
CWS	—	158	390	435	550	550	550	528	590
NDSL	122	243	332	326	329	301	201	193	193
GSL-PLUS	—	161	808	480	958	1,609	2,535	3,074	3,100
Total	122	730	3,140	3,735	4,685	4,625	6,337	6,643	6,718

Constant 1982 Dollars

	1964	1971	1976	1978	1979	1980	1981	1982	1983
Pell	—	—	2,306	3,264	3,331	2,072	2,828	2,445	2,363
SEOG	—	407	418	408	466	446	402	359	347
SSIG	—	—	77	96	105	93	83	74	59
CWS	—	385	678	657	754	663	597	534	576
NDSL	383	590	578	492	451	363	218	195	189
GSL-PLUS	—	391	1,405	725	1,313	1,941	2,754	3,107	3,029
Total	383	1,774	5,462	5,644	6,419	5,578	6,882	6,715	6,564

Note

See Table A-1 for the meaning of the acronyms for the programs.

The appropriations in the table do not reflect funds carried backward or forward from one fiscal year to another.

Appropriations for NDSL include federal capital contribution and teacher cancellations.

Fiscal year appropriations in current dollars have been converted to constant 1982 dollars on the basis of the CPI for the fiscal year (July to June for 1964 to 1976 and October to September for 1977 to 1983) and the CPI for calendar year 1982.

[a] In certain years, appropriations for the Pell Program were carried back or forward to supplement appropriations in another year. This was especially true of fiscal year 1980. Appropriations for that year are much less than the amount of aid awarded because of shifts of funds from other years. (In fact, the 1980 appropriation was subsequently reduced by $140 million.) The actual amounts of aid awarded appear in Table A-1.

Sources

1982–1983—U.S. Department of Education, "The Fiscal Year 1984 Budget: Federal Education Activities," (January 31, 1983), p. 35, and unpublished data.

1981—U.S. Department of Education, "Fiscal Year 1983 Budget: Foundation for Education Assistance, D.C." (February 8, 1982), p. 25.

1980—U.S. Department of Education, *Annual Evaluation Report: 1982*.

1971–1979—All programs except NDSL—Office of Student Financial Assistance, U.S. Department of Education, *OSFA Program Book: July 1981*, pp. 26, 37, 54, 64, 73, and 77. NDSL—U.S. Department of Education, *Annual Evaluation Report: 1982*.

1964—Bureau of Postsecondary Education, U.S. Department of Health, Education, and Welfare, *Factbook: Summary of Program Information through Fiscal Year 1976* (1977), p. 9.

Table A-4. Aid Awarded to Students: Grants, Loans, and Work
(Current and constant 1982 dollars in billions)

Academic Year	Grants			Loans			Work			Total		
	Current Dollars	Constant Dollars	Percent	Current Dollars	Constant Dollars	Percent	Current Dollars	Constant Dollars	Percent	Current Dollars	Constant Dollars	Percent
1983–84 (est.)	7.76	7.39	48.2	7.69	7.33	47.8	.64	.61	4.0	16.10	15.33	100.0
1982–83 (est.)	8.44	8.29	52.3	7.14	7.02	44.3	.56	.56	3.5	16.14	15.87	100.0
1981–82 (est.)	9.43	9.67	52.2	8.04	8.24	44.5	.59	.61	3.3	18.06	18.52	100.0
1980–81	9.73	10.84	56.1	6.96	7.76	40.1	.66	.73	3.8	17.35	19.33	100.0
1979–80	9.08	11.28	63.5	4.61	5.73	32.3	.60	.74	4.2	14.28	17.75	100.0
1977–78	8.21	12.66	74.2	2.39	3.69	21.6	.47	.72	4.2	11.08	17.07	100.0
1975–76	8.42	14.64	80.3	1.77	3.08	16.9	.29	.51	2.8	10.49	18.24	100.0
1970–71	2.97	7.22	66.1	1.30	3.15	28.9	.23	.55	5.1	4.50	10.92	100.0
1963–64	.43	1.35	79.2	.11	.36	20.8	.00	.00	.0	.55	1.71	100.0

Note

Est. = estimate. Details may not add to totals because of rounding.
See Tables A-1 and A-2 for sources.

Table A-5. Social Security and Veterans Benefits vs. Other Aid
(Current and constant 1982 dollars in billions)

Academic Year	Social Security and Veterans Benefits			Other Aid			Total Aid		
	Current Dollars	Constant Dollars	Percent	Current Dollars	Constant Dollars	Percent	Current Dollars	Constant Dollars	Percent
1983–84	1.31	1.25	8.1	14.79	14.09	91.9	16.10	15.33	100.0
1982–83	2.04	2.00	12.6	14.11	13.87	87.4	16.14	15.87	100.0
1981–82	3.33	3.42	18.5	14.73	15.10	81.5	18.06	18.52	100.0
1980–81	3.62	4.04	20.9	13.73	15.30	79.1	17.35	19.33	100.0
1979–80	3.37	4.19	23.6	10.91	13.56	76.4	14.28	17.75	100.0
1977–78	3.97	6.11	35.8	7.11	10.96	64.2	11.08	17.07	100.0
1975–76	5.27	9.17	50.3	5.21	9.07	49.7	10.49	18.24	100.0
1970–71	1.62	3.94	36.0	2.88	6.99	64.0	4.50	10.92	100.0
1963–64	.07	.21	12.3	.48	1.50	87.7	.55	1.71	100.0

Note

Except for Veterans and Social Security Benefits, other aid includes all other federally supported, state, and institutionally awarded aid reported in Tables A-1 and A-2.

See Tables A-1 and A-2 for sources.

Table A-6. Fall Enrollment of Full-Time-Equivalent Students (Thousands)

	Undergraduate	Total
1983	7,900 (projection)	9,055 (projection)
1982	8,043 (estimate)	9,092
1981	7,970 (estimate)	9,015
1980	7,697	8,749
1979	7,460	8,487
1977	7,398	8,415
1975	7,493	8,481
1970	5,976	6,737
1963	(not available)	3,696

Sources

U.S. Department of Education, National Center for Education Statistics. For 1963, *Projections of Education Statistics to 1986–87.* For 1970–1980, and 1983 *Projections of Education Statistics to 1990–91.* For 1981 and 1982, unpublished data.

Table A-7. Distribution of Pell Grant Recipients by Dependency Status and Income in Current Dollars, Academic Years 1977–78 to 1981–82

Current-Dollar Income[a]	1977–78		1978–79		1979–80		1980–81		1981–82	
	No. (000)	Percent	No. (000)	Percent	No. (000)	Percent	No. (000)	Percent	No. (000)	Percent
Dependent Students:										
Less than 1,001	212	18.6	42	3.6	39	2.3	29	1.8	33	2.1
1,001– 3,000			109	9.3	86	5.1	79	4.9	72	4.6
3,001– 6,000	266	23.4	250	21.4	214	12.7	206	12.8	194	12.3
6,001– 9,000	254	22.3	244	20.9	226	13.4	214	13.3	208	13.2
9,001–12,000	207	18.2	213	18.2	428	25.5	397	24.7	391	24.8
12,001–15,000	124	10.8	156	13.4						
15,001–20,000	73	6.4	121	10.4	310	18.4	280	17.4	269	17.1
20,001–30,000			29	2.4	329	19.6	335	20.8	324	20.6
30,001 and above					49	2.9	69	4.3	84	5.3
Total	1,136	100.0	1,163	100.0	1,681	100.0	1,609	100.0	1,575	100.0
Independent Students										
Less than 1,001	415	58.3	129	19.1	138	16.1	156	14.2	173	15.3
1,001– 3,000			235	34.8	245	28.6	271	24.6	280	24.6
3,001– 6,000	195	27.3	189	27.9	296	34.5	364	33.1	375	33.0
6,001– 9,000	84	11.8	90	13.4	113	13.2	142	13.0	142	12.5
9,001–12,000	15	2.1	26	3.9	63	7.4	145	13.2	146	12.8
12,001–15,000	1	.1	4	.5						
15,001 and above	[b]	[b]	1	.1	2	.3	20	1.8	20	1.7
Total	710	100.0	674	100.0	857	100.0	1,099	100.0	1,135	100.0

Notes

The details may not add to the totals because of rounding.

[a] Income is for the calendar year preceding the academic year. For example, the income of the recipient in 1977–78 is for the calendar year 1976.

[b] The number is less than .5 or the percent less than .05.

Sources

1980–81 to 1981–82—Office of Student Financial Assistance, U.S. Department of Education, *Pell Grants End-of-Year Report*, pp. 49 and 50 of the 1980–81 report and pre-publication drafts of Tables 9B and 9C of the 1981–82 report.

1978–79 to 1979–80—Office of Education, U.S. Department of Health, Education, and Welfare, *Basic Grants Report*, pp. 48–49 of the 1978–79 report and pp. 50–51 of the 1979–80 report.

1977–78—Office of Education, U.S. Department of Health, Education and Welfare, *Basic Grants End of Year Report: 1977–78*, revised Tables 3B and 3C issued subsequent to the main report.

Table A-8. Estimated Distribution of Pell Grant Recipients by Dependency Status and Income in Constant 1982 Dollars, Academic Years 1977–78 to 1981–82

Constant-Dollar Income[a]	1977–78		1978–79		1979–80		1980–81		1981–82	
	No. (000)	Percent	No. (000)	Percent	No. (000)	Percent	No. (000)	Percent	No. (000)	Percent
Dependent Students										
Less than 5,001	207	18.3	162	14.0	152	9.0	160	9.9	188	11.9
5,001–10,000	262	23.0	261	22.4	244	14.5	262	16.3	288	18.3
10,001–15,000	250	22.0	251	21.6	250	14.9	257	15.9	280	17.8
15,001–20,000	206	18.2	212	18.2	241	14.3	248	15.4	254	16.2
20,001–25,000	127	11.2	144	12.4	223	13.3	211	13.1	201	12.7
25,001–30,000	84	7.4	76	6.5	202	12.0	153	9.5	138	8.8
30,001 and above			57	4.9	370	22.0	318	19.8	226	14.4
Total	1,136	100.0	1,163	100.0	1,681	100.0	1,609	100.0	1,575	100.0
Independent Students										
Less than 2,501	411	57.9	196	29.1	223	26.0	323	29.4	332	29.2
2,501– 5,000			177	26.2	198	23.1	197	17.9	278	24.6
5,001–10,000	191	26.9	188	27.9	287	33.5	344	31.3	336	29.6
10,001–15,000	87	12.2	86	12.8	96	11.2	126	11.4	114	10.1
15,001 and above	21	3.0	27	3.9	53	6.2	110	10.0	73	6.4
Total	710	100.0	674	100.0	857	100.0	1,099	100.0	1,135	100.0

Notes

The authors converted income to constant 1982 dollars on the basis of the Consumer Price Index for the calendar year in which the income was earned. The number of recipients in each constant dollar income interval was estimated by linear interpolation of data from the sources used for Table A-7.

Details may not add to the totals because of rounding.

[a] Income is for the calendar year preceding the academic year. For example, the income of a recipient in 1977–78 is for calendar year 1976.

Table A-9. Costs of Attendance in Current Dollars for Selected Academic Years, 1963–64 to 1982–83

	Private University			Other Private Four Year College			Public University			Other Public Four Year College			Community College		
	Tuition and Fees	Room and Board	Total	Tuition and Fees	Room and Board	Total	Tuition and Fees	Room and Board	Total	Tuition and Fees	Room and Board	Total	Tuition and Fees	Room and Board	Total
1982–83	5,583	2,954	8,537	4,329	2,317	6,646	1,164	2,239	3,403	936	2,096	3,032	473	1,917	2,390
1981–82	4,900	2,591	7,491	3,883	2,060	5,943	1,041	2,008	3,049	823	1,883	2,706	438	1,812	2,250
1980–81	4,275	2,291	6,566	3,384	1,859	5,243	915	1,796	2,711	720	1,699	2,419	383	1,635	2,018
1979–80	3,811	2,077	5,888	3,014	1,679	4,693	840	1,647	2,487	662	1,536	2,198	351	1,466	1,817
1977–78	3,354	1,839	5,193	2,362	1,449	3,811	732	1,435	2,167	582	1,342	1,924	301	1,289	1,590
1975–76	2,881	1,586	4,467	2,084	1,301	3,385	642	1,293	1,935	469	1,188	1,657	245	1,141	1,386
1970–71	1,981	1,182	3,163	1,603	995	2,598	478	1,000	1,478	333	876	1,209	186	831	1,017
1963–64	1,216	889	2,105	935	765	1,700	281	745	1,026	215	631	846	97	533	630

Note

Totals do not include expenses for books, supplies, personal items or transportation because consistent time series for these data are not available.

Sources

Tuition, fees, room and board—National Center for Education Statistics, *Digest of Education Statistics* for 1972, 1975, 1981, 1982, and unpublished data.

Table A-10. Costs of Attendance in Constant 1982 Dollars for Selected Academic Years, 1963–64 to 1982–83

	Private University			Other Private Four Year College			Public University			Other Public Four Year College			Community College		
	Tuition and Fees	Room and Board	Total	Tuition and Fees	Room and Board	Total	Tuition and Fees	Room and Board	Total	Tuition and Fees	Room and Board	Total	Tuition and Fees	Room and Board	Total
1982–83	5,488	2,904	8,392	4,255	2,278	6,533	1,144	2,201	3,345	920	2,060	2,980	465	1,884	2,349
1981–82	5,025	2,657	7,682	3,982	2,113	6,095	1,068	2,059	3,127	844	1,931	2,775	449	1,858	2,307
1980–81	4,764	2,553	7,318	3,771	2,072	5,843	1,020	2,002	3,021	802	1,894	2,696	427	1,822	2,249
1979–80	4,737	2,582	7,318	3,746	2,087	5,833	1,044	2,047	3,091	823	1,909	2,732	436	1,822	2,258
1977–78	5,169	2,834	8,003	3,640	2,233	5,873	1,128	2,211	3,339	897	2,068	2,965	464	1,986	2,450
1975–76	5,011	2,759	7,770	3,625	2,263	5,888	1,117	2,249	3,366	816	2,066	2,882	426	1,985	2,411
1970–71	4,813	2,872	7,684	3,894	2,417	6,312	1,161	2,429	3,591	809	2,128	2,937	452	2,019	2,471
1963–64	3,805	2,781	6,586	2,925	2,394	5,319	879	2,331	3,210	673	1,974	2,647	303	1,668	1,971

Note

Current dollars have been converted to 1982 dollars according to the Consumer Price Index for the July to June academic year.

The details may not add to the totals because of rounding.

Sources

See Table A-9.

Table A-11. Ratio of College Costs to Income for Selected Academic Years, 1963–64 to 1982–83

	Costs as a Percentage of Disposable Personal Income Per Capita				
	Private		Public		
	University	4-Year	University	4-Year	2-Year
1982–83	91	71	36	32	26
1981–82	85	67	35	31	25
1980–81	82	65	34	30	25
1979–80	80	64	34	30	25
1977–78	87	64	36	32	27
1975–76	88	67	38	33	27
1970–71	93	77	44	36	30
1963–64	98	79	48	39	29
	Costs as a Percentage of Median Income of All Families				
	Private		Public		
	University	4-Year	University	4-Year	2-Year
1982–83	36	28	15	13	10
1981–82	33	27	14	12	10
1980–81	31	25	13	12	10
1979–80	30	24	13	11	09
1977–78	32	24	14	12	10
1975–76	33	25	14	12	10
1970–71	32	26	15	12	10
1963–64	32	26	16	13	10

Note

College costs includes tuition, fees, room, and board. Data derived from sources used for Tables A-9 and B-1.

Table A-12. Aid from the Pell Grant Program by Type and Control of Institution, Academic Years 1973–74 to 1982–83 (Current and constant 1982 dollars in millions)

	Current Dollars									
	1973–74	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80	1980–81	1981–82[a]	1982–83[a]
Public	32.9	238.1	609.0	975.8	1,064.6	1,059.2	1,538.4	1,567.7	1,366.6	1,382.6
2-Year	(12.4)	(95.1)	(244.0)	(344.5)	(385.4)	(392.7)	(546.1)	(576.3)	(431.3)	(443.8)
4-Year	(20.5)	(143.0)	(365.0)	(631.3)	(679.2)	(666.4)	(992.3)	(991.4)	(935.3)	(938.8)
Private	13.1	87.1	232.7	362.3	369.5	453.9	704.3	717.5	625.0	646.8
Proprietary	3.5	30.9	84.5	119.3	140.9	180.2	262.1	321.7	310.7	410.0
Other and ADS[b]	.3	.4	10.3	16.4	12.9	.0	.0	.0	.0	.1
Total	49.9	356.5	936.5	1,473.8	1,587.9	1,693.3	2,504.9	2,606.9	2,302.3	2,439.4

	Constant 1982 Dollars									
	1973–74	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80	1980–81	1981–82[a]	1982–83[a]
Public	68.1	443.5	1,059.3	1,604.7	1,640.6	1,492.3	1,912.1	1,747.2	1,401.5	1,359.1
2-Year	(25.7)	(177.1)	(424.4)	(566.5)	(593.9)	(553.3)	(678.8)	(642.3)	(442.3)	(436.3)
4-Year	(42.4)	(266.4)	(634.9)	(1,038.2)	(1,046.7)	(938.9)	(1,233.3)	(1,104.9)	(959.2)	(922.8)
Private	27.1	162.2	404.8	595.8	569.4	639.5	875.4	799.7	641.0	635.8
Proprietary	7.2	57.6	147.0	196.2	217.1	253.9	325.8	358.5	318.6	403.0
Other and ADS[b]	0.6	0.7	17.9	27.0	19.9	.0	.0	.0	.0	.1
Total	103.3	664.1	1,629.0	2,423.6	2,447.0	2,385.6	3,113.4	2,905.4	2,361.1	2,397.9

Note

The current dollar figures have been converted to constant 1982 dollars on the basis of the Consumer Price Index for each academic year.

The details may not add to the totals because of rounding.

[a] The 1981–82 and 1982–83 aid amounts are preliminary. See the notes and sources to Table A-1 for futher information.

[b] Other refers to institutions that do not fit into one of the categories that the Department of Education uses to indicate institutional type and control. ADS is the Alternate Disbursement System, through which the government pays students directly, rather than indirectly through the school. For some years, awards through ADS are not reported by type and control.

Source

See sources cited for Pell Grants in Table A-1.

Table A-13. Aid from Campus-Based Programs by Type and Control of Institution, Academic Years 1973–74 to 1980–81 (Current and constant 1982 dollars in millions)

	Current Dollars									
	1973–74	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80	1980–81	1981–82	1982–83
Public	558.8	563.5	561.2	731.3	776.3	777.6	845.8	912.2		
2-Year	(108.8)	(118.7)	(112.6)	(146.6)	(152.8)	(153.1)	(163.0)	(173.3)		
4-Year	(449.7)	(444.7)	(448.7)	(584.7)	(623.6)	(624.4)	(682.7)	(738.8)		
									(not available)	
Private	349.4	344.5	355.2	446.8	475.4	521.7	644.2	718.7		
Proprietary	9.9	27.0	39.6	61.2	75.8	95.9	84.0	88.8		
Total	918.0	935.0	956.0	1,239.4	1,327.5	1,395.1	1,573.9	1,719.6		

	Constant 1982 Dollars									
	1973–74	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80	1980–81	1981–82	1982–83
Public	1,156.4	1,049.7	976.2	1,202.6	1,196.3	1,095.5	1,051.3	1,016.6		
2-Year	(225.2)	(221.1)	(195.9)	(241.1)	(235.5)	(215.7)	(202.6)	(193.1)		
4-Year	(930.6)	(828.4)	(780.5)	(961.5)	(961.0)	(879.7)	(848.5)	(823.4)		
									(not available)	
Private	723.1	641.7	617.9	734.8	732.6	735.0	800.7	801.0		
Proprietary	20.5	50.3	68.9	100.6	116.8	135.1	104.4	99.0		
Total	1,899.7	1,741.7	1,662.9	2,038.2	2,045.7	1,965.5	1,956.2	1,916.5		

Note

The Campus-Based programs are the National Defense Student Loan Program, the College Work Study Program, and the Supplemental Educational Opportunity Grant Program.

The current dollar figures have been converted to constant 1982 dollars on the basis of the Consumer Price Index for the academic year.

Source

See sources cited in Table A-1 for each of the Campus-Based programs.

Table A-14. Total Pell Grant and Campus-Based Program Aid by Type and Control of Institution, Academic Years 1973–74 to 1980–81
(Current and constant 1982 dollars in millions)

	1973–74	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80	1980–81	1981–82	1982–83
Current Dollars										
Public	591.7	801.6	1,170.2	1,707.1	1,840.9	1,836.8	2,384.2	2,479.9		
2-Year	(121.2)	(213.8)	(356.6)	(491.1)	(538.2)	(545.8)	(709.1)	(749.6)		
4-Year	(470.2)	(587.7)	(813.7)	(1,216.0)	(1,302.8)	(1,290.8)	(1,675.0)	(1,730.2)		
									(not available)	
Private	362.5	431.6	587.9	809.1	844.9	975.6	1,348.5	1,436.2		
Proprietary	13.4	57.9	124.1	180.5	216.7	276.1	346.1	410.5		
Other	.3	.4	10.3	16.4	12.9	.0	.0	.0		
Total	967.9	1,291.5	1,892.5	2,713.2	2,915.4	3,088.4	4,078.8	4,326.5		
Constant 1982 Dollars										
	1973–74	**1974–75**	**1975–76**	**1976–77**	**1977–78**	**1978–79**	**1979–80**	**1980–81**	**1981–82**	**1982–83**
Public	1,224.5	1,493.2	2,035.5	2,807.3	2,836.9	2,587.8	2,963.3	2,763.8		
2-Year	(250.8)	(398.3)	(620.3)	(807.6)	(829.4)	(769.0)	(881.3)	(835.4)		
4-Year	(973.0)	(1,094.7)	(1,415.4)	(1,999.7)	(2,007.7)	(1,818.6)	(2,081.9)	(1,928.3)		
									(not available)	
Private	750.2	804.0	1,022.6	1,330.6	1,302.0	1,374.5	1,676.1	1,600.6		
Proprietary	27.7	107.9	215.9	296.8	333.9	389.0	430.2	457.5		
Other	.6	.7	17.9	27.0	19.9	.0	.0	.0		
Total	2,003.0	2,405.8	3,291.9	4,461.8	4,492.8	4,351.2	5,069.6	4,821.9		

Note

The current dollar figures have been converted to constant 1982 dollars on the basis of the Consumer Price Index for the academic year.

The details may not add to the totals because of rounding.

See Tables A-12 and A-13 for source of data.

Table A-15. Percent Distribution of Pell and Campus-Based Program Aid, Academic Years 1973–74 to 1982–83

	1973–74	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80	1980–81	1981–82	1982–83
Pell										
Public	66.0	66.8	65.0	66.2	67.0	62.6	61.4	60.1	59.4	56.7
2-Year	(24.9)	(26.7)	(26.1)	(23.4)	(24.3)	(23.2)	(21.8)	(22.1)	(18.7)	(18.2)
4-Year	(41.2)	(40.1)	(39.0)	(42.8)	(42.8)	(39.4)	(39.6)	(38.0)	(40.6)	(38.5)
Private	26.3	24.4	24.8	24.6	23.3	26.8	28.1	27.5	27.1	26.5
Proprietary	7.0	8.7	9.0	8.1	8.9	10.6	10.5	12.3	13.5	16.8
Other	.6	.1	1.1	1.1	.8	.0	.0	.0	.0	[a]
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Campus-Based										
Public	60.9	60.3	58.7	59.0	58.5	55.7	53.7	53.0		
2-Year	(11.9)	(12.7)	(11.8)	(11.8)	(11.5)	(11.0)	(10.4)	(10.1)	(not available)	
4-Year	(49.0)	(47.6)	(46.9)	(47.2)	(47.0)	(44.8)	(43.4)	(43.0)		
Private	38.1	36.8	37.2	36.0	35.8	37.4	40.9	41.8		
Proprietary	1.1	2.9	4.1	4.9	5.7	6.9	5.3	5.2		
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
Campus-Based and Pell										
Public	61.1	62.1	61.8	62.9	63.1	59.5	58.5	57.3		
2-Year	(12.5)	(16.6)	(18.8)	(18.1)	(18.5)	(17.7)	(17.4)	(17.3)	(not available)	
4-Year	(48.6)	(45.5)	(43.0)	(44.8)	(44.7)	(41.8)	(41.1)	(40.0)		
Private	37.5	33.4	31.1	29.8	29.0	31.6	33.1	33.2		
Proprietary	1.4	4.5	6.6	6.7	7.4	8.9	8.5	9.5		
Other	[a]	[a]	.5	.6	.4	.0	.0	.0		
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		

Notes

The details may not add to the totals because of rounding.

[a] Less than .05 percent.

See Tables A-12, A-13, and A-14 for source of data.

Appendix B:

Technical Note on the Selection of Income Series

No published income series (data on income over time) is perfect for comparison with college costs and aid. However, in our judgment, two series give a fair indication of the income of potential college students and their families. These two series are disposable personal income per capita and median income of all families. In this technical note, we discuss the criteria that guided our selection of income series and the advantages and disadvantages of six different income series we considered.

Criteria

Five criteria guided our selection of income series:

(1) Ideally, the income series should be representative of the population of potential college students and their families. Since the population of potential college students is difficult to define, one must use reasonable proxies for such series.

Although the income of families with students in college may be of interest in its own right, it is not suitable for comparison with college costs because it does not cover those who may have been discouraged from attending college by low income, high costs, or insufficient aid. It would not include many families and students who are the most likely targets of financial aid programs.

(2) The income series should date back to 1963 since that is the first year covered in this report.

(3) Ideally, the income series should trace the average income of individuals or family members, rather than that of families.

The average size of a family dropped from 3.70 to 3.27 members between 1965 and 1981. Because of this decline, family income supported fewer family members in 1981 than in 1965. If the sizes of the "average family" and "the family with median income" drop by similar amounts, a median family income series understates the change in economic well being, because as time has passed the proportion of family income available to each family member has increased. If one uses a median family income series, one must keep this understatement in mind.

(4) The income series should measure after-tax income, because families have no discretion over the use of income that is collected for taxes.

Some analysts of financial aid policies prefer to use income available after taxes and essential expenditures because they believe that expenditures for essential items are not discretionary. We have eschewed this approach because it would require that we determine which expenditures are essential and that we estimate expenditures. Both of these tasks are beyond the objective of this report, which is to present hard data from surveys and government records. Readers who are interested in estimates of income after taxes and essential expenditures may consult a recent article by Hartle and Wabnick cited in Table B-1.

(5) The income measures should consistently measure income. Most income series measure money income. No income series measures non-cash income, such as food stamps or health insurance. This would not be a problem except that non-cash income, especially that of poor families, has changed considerably from 1963 to 1982. Because the omission of non-cash income distorts measures of the income of poor families, we did not include an income series on a low-income population.

Advantages and Disadvantages of Available Income Series

We considered the use of six income series. Selected years from each of the series appear in Table B-1. To facilitate comparison of the series, the table includes indices of the change in constant dollar income. The construction of the indices is discussed below and in the notes to the table.

(1) *Disposable Personal Income per Capita* is the average after-tax personal income of the entire U.S. population. Because it satisfies all but one of the criteria outlined above, it was included in the cost comparison. Its major disadvantage is that the population it covers is much broader than the population of potential college students.

(2) *The October Current Population Survey* (3 series) provides interval data (number of families in various income brackets) on the income of all families, families with depen-

dents aged 18 to 24, and families with dependents in college. The major shortcomings of the October series are that it does not extend back to 1963, that there is substantial underreporting of income, and that median income is likely to be imprecise because it must be estimated from the interval data. However, the series on income of families with dependents aged 18 to 24 has one important advantage; it is likely to be representative of a large portion of the population of potential students who are dependents of their parents. As explained below, this series was used to select another income series.

(3) *The March Current Population Survey* provides two income series that may be representative of the families of potential college students: the median income of all families and the median income of families with heads aged 45 to 64. The series extend back to 1963. The major disadvantage of these series is that the family is the unit of observation and this is likely to cause an understatement of the changes in income per family member.

We created index numbers to facilitate comparison of these series with the other series we considered. These index numbers show that the changes in the median income of families with dependents aged 18 to 24 from the October survey are very similar to the changes in median income of all families from the March survey (See Table B-1). Hence, the median family income of all families from the March Current Population Survey was used in the comparison with college costs. The likely effects of changing family size on income per family member are noted in the text.

Table B-1. Family and Per Capita Income
(Current and constant 1982 dollars)

	Disposable Personal Income Per Capita			Median Family Income, March CPS					
				All Families			Families with Head Aged 45–64		
	Current Dollars	Constant Dollars	Index	Current Dollars	Constant Dollars	Index	Current Dollars	Constant Dollars	Index
1982	9,362	9,362	1.39	23,433	23,433	1.14	28,290	28,290	1.28
1981	8,827	9,368	1.39	22,388	23,761	1.15	27,187	28,854	1.30
1980	8,012	9,385	1.39	21,023	24,626	1.19	25,566	29,948	1.35
1979	7,331	9,749	1.44	19,587	26,047	1.26	23,700	31,516	1.42
1977	5,965	9,501	1.41	16,009	25,500	1.24	19,266	30,690	1.38
1975	5,075	9,102	1.35	13,719	24,604	1.19	16,320	29,269	1.32
1970	3,390	8,427	1.25	9,867	24,528	1.19	11,355	28,226	1.27
1963	2,144	6,759	1.00	6,548	20,644	1.00	7,029	22,160	1.00

	Estimated Median Family Income, October CPS								
	All Families			Families with Dependents Aged 18–24			Families with Dependents in College, Aged 18–24		
	Current Dollars	Constant Dollars	Index	Current Dollars	Constant Dollars	Index	Current Dollars	Constant Dollars	Index
1981	18,282	19,403	1.12	20,730	22,001	1.09	26,744[a]	28,384	1.12
1980	17,005	19,920	1.15	19,604	22,964	1.14	25,180[a]	29,496	1.17
1979	15,864	21,096	1.22	18,565	24,688	1.23	23,654	31,455	1.25
1977	13,118	20,897	1.21	15,090	24,036	1.19	19,040	30,331	1.20
1975	11,505	20,633	1.19	13,199	23,671	1.18	16,784	30,101	1.19
1970	8,268	20,553	1.19	9,624	23,923	1.19	12,063	29,986	1.19

Note

CPS = Current Population Survey. Constant dollars are calculated from the calendar year Consumer Price Index. The indices are all based on constant dollar income. The index for disposable personal income per capita and the median incomes from the March CPS are all calculated by dividing a given year's income in constant dollars by the 1963 income in constant dollars. The October series indices are calculated in a similar manner except that the divisor is the 1970 income and each quotient is multiplied by 1.19 to set the series to a base of 1.19 in 1970.

[a] The median family income is extrapolated because the median is in the last interval ($25,000 and above) reported. Since the median is close to the interval break, the error is likely to be small.

Sources

Disposable personal income per capita is from the *Economic Report the President* (1983), 191. The median family income series from the March CPS are from U.S. Bureau of the Census, *Current Population Reports*, Series P-60, Numbers 43, 80, 101, 105, 118, 129, 132, 137, 140. The median family income series from 1970 to 1979 from the October CPS are from Hartle, T.W., and Wabnick, R., "Are college costs rising?" *Journal of Contemporary Studies*, 1983, *4* (2), 66. Median family incomes for 1980 and 1981 from the October CPS are derived from unpublished data from the Current Population Survey.

Glossary of Acronyms and Terms

A brief summary of acronyms and terms is provided below. Fuller descriptions appear in the text and the notes to the tables.

Acronyms

CWS: College Work Study Program

E & G expenditures: Educational and general expenditures

FTE student: Full-time-equivalent student

GSL: Guaranteed Student Loan Program

MISAA: Middle Income Student Assistance Act of 1978

NDEA: National Defense Education Act of 1958

NDSL: National Direct Student Loan Program (formerly called National Defense Student Loan Program)

PLUS: Parent Loans for Undergraduate Students Program

SEOG: Supplemental Educational Opportunity Grant Program (formerly called Educational Opportunity Grant Program)

SSIG: State Student Incentive Grant Program

Terms

Academic year: In this report, a year beginning in July of one year and ending in June of the following year.

Aid awarded: Amount of assistance given to postsecondary students (up to and including doctoral candidates) in a given year. In this report, aid awarded through loan programs includes only the principal loaned; it does not include interest subsidies, repayments on defaults, or cancellations of indebtedness.

Aid per FTE student: The amount of aid in a given year divided by the full-time-equivalent enrollment that year.

Aid per recipient: The amount of aid from a given program divided by the number of recipients of aid from that program.

Appropriations: The amount of money the government is allowed by law to spend on specified programs. In this report, appropriations for loan programs include federal capital contributions, interest payments, repayments on defaulted loans, cancellations of indebtedness, and administrative expenses.

Campus-based programs: Three federal programs (SEOG, CWS, and NDSL) that channel money to institutions, which in turn make awards to students they select within broad federal guidelines.

Constant dollars: Inflation-adjusted dollars.

Current dollars: Dollars not adjusted for inflation.

Federally supported programs: In this report, the category federally supported programs includes programs that are primarily funded by the federal government. The dollar amounts include matching funds required from colleges or other nonprofit organizations and loan principal provided by private lenders but guaranteed by the federal government. A small amount of federal aid is included in the institutionally awarded aid category (see below), but cannot be separated out.

Fiscal year: A twelve month accounting period for financial or business transactions. Until July 1976, the federal fiscal year began in July and ended the following June. Since 1976, the federal fiscal year has begun in October and ended the following September.

Forward-funded programs: Programs in which amounts appropriated in a given fiscal year are disbursed to students during the next academic year. For example, funds appropriated for fiscal year 1983 (October 1982 to September 1983) are disbursed during the 1983-84 academic year (July 1983 to June 1984).

Full-time-equivalent enrollment: The number of full-time students plus the number of part-time students converted to the equivalent number of full-time students.

Generally available aid programs: Programs that tend to have financial need or income as the major eligibility criterion.

Institutionally awarded aid: Grants and trainee stipends for which the institution selects the recipient. Most funds in this category come from institutional or other private sources, although the category may include a small amount of state or federally funded aid that is institutionally awarded. In this report, Supplemental Educational Opportunity Grants are separated out of the institutionally awarded aid category and reported under federally supported programs.

Real income or real change: Dollar amounts or changes in dollar amounts that are adjusted for inflation.

Specially directed aid programs: Aid programs that support some restricted class of students, such as veterans or students preparing for the health professions.

Time series: Data classified by time. For example, income for each year over a ten year period.

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